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NEWS SUMMARY

GENERAL

Khomeini warns Iran's President

Ayatollah Khomeini, Iran's revolutionary leader, yesterday issued his most severe warning to the country's President Bani-Sadr and the ruling revolutionary council.

He said they should resign if they could not establish a truly Islamic government responsive to the needs of the people.

The Ayatollah's criticism is likely to erode further President Bani-Sadr's position. Back Page

Troops to stay

The Soviet Union made it clear that there would be no further withdrawal of its troops from Afghanistan until foreign interference in the country's internal affairs stopped. Page 2

Budget agreed

The European Parliament voted overwhelmingly to make only minor amendments to the latest EEC draft budget, apparently ending a six-month community row. Revolt fades, Page 2

Briton missing

Britain has asked Vietnam for information about the disappearance of Robert Ashe, 27, a charity refugee worker, who was last seen on Thursday on the Thailand - Kampuchea border. He went into the bush with a French doctor and two American photographers, accompanied by Vietnamese soldiers. U.S. may boost arms sales to Thais, Page 2

School milk

Minister of Agriculture Peter Walker held out the prospect for the return of free milk in schools through EEC subsidies. Page 3

Soviet plane down

A Soviet TU-16 reconnaissance-bomber aircraft crashed into the Sea of Japan as it circled a Japanese naval ship, which later recovered the bodies of two airmen.

Hunger strike end

Mass murderer Archibald Hall, 55, ended his 353-day hunger strike at Wakefield jail. He began his protest because the Home Office refused to let him serve his sentence in his native Scotland.

'Bribes' probe

Rolls-Royce said its investigation into bribery allegations made by Labour MP Jeff Rooker was unlikely to be completed before the middle of next week.

Award allegation

Former managing director Edwin Hearn was remanded in custody at a Bury St. Edmunds court on fraud and forgery charges, including one of falsely obtaining the Queen's Award to Industry for a Suffik engineering company, which ceased trading in 1975.

McEnroe battle

John McEnroe, the No. 2 men's seed at Wimbledon, was nearly eliminated in the second round when he was stretched to five sets by Terry Rocavert, ranked 19th in Australia. Page 15

Stubbs find

A painting of a lion and lioness, identified by Christie's as a Stubbs, was sold for £60,000 to a oLndon dealer. It had been insured for £200.

Briefly . . .

Seven Jamaican soldiers were charged in connection with an alleged plot to overthrow the country's Government.

Israel's national ailrine El Al is to cut the Israel-UK apex fare to £155 return next winter.

Temperature in Dallas, U.S. rose to a record 113 deg. Fahrenheit. Three people have died in the heatwave.

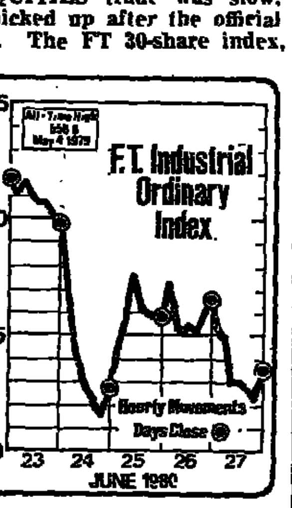
BUSINESS

Gold up $14; Sterling firm

● GOLD closed $14 up in London at $637.5, its highest since March 5. Page 23

● STERLING rose on short covering after Thursday's unchanged MLR, advancing 25 points to $2.3470. Its trade-weighted index was 74.1 (73.9), its highest since the beginning of the month. DOLLAR's index was unchanged at 83.4. Page 23

● EQUITIES trade was slow, but picked up after the official close. The FT 30-share index,



off 4.4 at 3 pm, rallied to close 3.2 down at 463.5 for a net rise on the Account of 7.0. Page 24

● GILTS suffered from a surfeit of stock, and the Government Securities index eased 0.14 to 69.33. Page 24

● HONG KONG: the Hang Seng index reached a seven-year peak for the second consecutive day, gaining 14.74 to close at 1,041.43. Page 20

● WALL STREET was up 0.94 at 884.39 near the close. Page 20

● UK BANKS are the most profitable in the world and Barclays is the most profitable of all, according to a list of the top 500 compiled by The Banker. Back Page

● TREASURY and the Zimbabwe Government reached a settlement on debts of nearly £100m incurred since the declaration of UDI by the Rhodesian Government. Page 3

● ROLLS-ROYCE share dealings ahead of the share suspension on Wednesday have become the subject of a preliminary inquiry by the Stock Exchange. Page 18

● DEPARTMENT of Trade welcomed the report by Sir Henry Fisher and his working party recommending sweeping changes in the structure of Lloyd's of London. Page 3

● ARMSTRONG Equipment, the engineering group planning to take over Meriden, is to ask the Government to waive the motorcycle co-operative's £5.5m debt. Page 4

● KUWAIT Airways ordered six A310 aircraft from Airbus Industrie, the European aircraft consortium.

● UNION of Post Office Workers is to put forward to the industry's unions proposals for the formation of a single union covering the Post Office and British Telecoms. Page 4

COMPANIES

● NEB accepted a scaled-down offer of £22m for Fairey Holdings from Doulton and Co., the S. Pearson and Son subsidiary. Back Page

● REDIFFUSION, the subsidiary of British Electric Traction, reports pre-tax profits last year slightly ahead at £17.12m (£17.11m). Page 18

● SCAPA Group, the specialised textiles concern, raised trading profits for the year from £10.25m to £10.3m, but higher interest charges left pre-tax profits £500,000 lower at £8.29m. Page 18

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES				
BPC	23	+ 2½	Poseidon	207 + 18
Cawoods	222	+ 8	Roan Cons.	200 + 10
Highland Distills.	147	+ 7	Simmer and Jack	160 + 5
Johnson Matthey	367	+ 20	FALLS	
Mining Supplies	108	+ 6	Treas. 11¾pc 2003-07	£87 − ¾
Nichols (Vimto)	405	+ 15	Appleyard	42 − 6
Rolls-Royce	72	+ 5	BAT Inds.	253 − 5
Scapa	77	+ 7	Brown and Jackson	128 − 8
Tele. Rentals	233	+ 9	Ferranti	585 − 10
Berkeley Explor.	256	+ 16	Haslemere Estates	334 − 8
Clyde Pet.	634	+ 34	MEPC	210 − 8
IC Gas	874	+ 20	Manor National	19 − 3
LASMO	792	+ 42	Meyer (Mont. L.)	92 − 3
Siebens (UK)	284	+ 24	Mothercare	242 − 6
Tricentrol	400	+ 14	Muirhead	116 − 7
Anglo Amer. Corpn.	595	+ 20	Redland	172 − 5
Gold Mn. Kalgoorlie	434	+ 42	Tube Invs.	268 − 6
Otter Exploration	108	+ 18	Woolworth (F. W.)	56¼ − 3
			Haoma Gold	114 − 4

BNOC to link with foreign groups in world oil search

BY RAY DAFTER, ENERGY EDITOR

BRITISH NATIONAL OIL Corporation is to start looking for oil outside the UK. The State-owned corporation has been given Government authority to join international oil companies in a multi-million-pound overseas drilling programme.

Mr. Philip Shelbourne, the new chairman and chief executive of BNOC, said yesterday that development of overseas interests could represent a significant part of the undertaking's expansion and diversification in the coming years.

It was natural for a major oil company to want an international exploration and development interest, he said in Glasgow after the board meeting at which he was formally appointed chief executive.

BNOC will not be the operator in these first overseas ventures, but will contribute technical know-how.

"This is putting our toe into the water, and we hope that this will be the start of a much bigger overseas interest." Mr. Ronny Utiger, the retiring chairman and chief executive, said.

Mr. Utiger who is remaining on the BNOC board until at least the end of the year, refused to say where BNOC would be drilling. That would be left to the operators to announce shortly, he said.

It is thought that one of the exploration projects will take BNOC into the Middle East, and that the other will be in Western Europe. Unconfirmed reports suggest that one project will be offshore waters, the other onshore.

"But it does show that far from being inhibited or stultified, we have been getting on with our business," he said.

Mr. Utiger was commenting on the uncertainty that surrounds BNOC's future structure. The Government is expected to announce its plans for injecting private capital into the corporation within the next few months.

The BNOC board has submitted its own recommendations to Mr. David Howell, the Energy Secretary. It is understood that out of a number of options, the board has recommended that the Government should not sell off shares.

Instead, the board wants the Government to issue bonds or certificates which would earn interest on a minority share of BNOC's profits. The corporation is expected to make a pre-tax profit of over £1bn annually by the mid-1980s.

Mr. Shelbourne, who as chairman and chief executive of the bankers Samuel Montagu and Co. has been advising the Government on possible restructuring routes, said: "Privatisation will happen."

He had no "set views" on how BNOC's reorganisation should be achieved, but it was important for a definitive solution to be reached without too much delay.

But it does seem that BNOC's trading activity will be separated from the corporation's exploration and production interests.

Mr. Shelbourne said that he thought trading should be part of the Government's strategy.

Mr. Utiger added that oil trading by the state corporation could form part of a Government's foreign policy. "It is not for us to set foreign policy."

It was, he said, noticeable how relationships between BNOC and the private-sector oil companies had improved in recent months as a result of the Government's stripping the corporation of some of its privileges.

BNOC, which has formed between six and ten drilling consortia to bid for seventh-round UK exploration licences, also announced that a well, drilled close to its Thistle Field in the North Sea, had confirmed presence of an encouraging oil reservoir.

As operator for the Halibut group of companies, BNOC said that the well, designated 211/18a-21, had tested oil at varying flow rates of up to 1,780 barrels a day. The oil was of the premium, light quality found in many North Sea fields.

Mr. Utiger described the confirmatory well as encouraging. It had proved the existence of "significant" quantities of oil.

Davey McKee gas terminal contract, Page 3

GKN to close three plants and shed 2,000 jobs

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

GKN FORGINGS last night announced plans to close three plants and shed 2,000 jobs.

The move underlines the shakeout under way in the motor components industry, following the recent sharp drop in UK sales of commercial vehicles and cars.

Among other redundancy announcements yesterday Tube Investments said it is to close TI National Tube, at Halesowen, West Midlands, with the loss of 230 jobs because of the recession in the motor industry.

The latest moves follow hard on the heels of redundancy announcements from several motor manufacturers. Ford has told unions of plans to cut 2,300 jobs while Vauxhall said it wanted to axe 700. Foden's, the commercial vehicle manufacturer, said its workforce would be reduced by 630.

GKN Forgings, with seven operating companies, produces almost half the output of the UK drop forging industry, which has suffered extensive short-time working for several months.

Mr. David Powis, director of the National Association of Drop Forgers, warned last night that other companies could follow the lead of GKN: "The industry has worked below capacity for so long that we have now got to the stage where the buttons are pressed and the redundancies start to come."

GKN Forgings itself, with an annual turnover of £185m and more than 9,800 workers, said it had been trading with very low margins and losses in certain areas for more than three years.

Discussions have started with the trade unions to close F. and P. Witton at Birmingham, with the loss of 881 jobs, and the powder forging division employing 51 at Redditch, Hereford and Worcester. Within the Smethwick Drop Forging company the Smethwick factory, employing 497, will be run down with production consolidated at the company's Kidderminster, site.

Some 400 jobs will go at Scottish Stamping and Engineering, Ayr, and 180 at Garringtons the GKN Forging subsidiary in Bromsgrove.

TI National Tubes, which makes and manipulates cold-drawn steel tube, will cease trading on September 30. Its two factories at Halesowen will close, with production transferred to a sister company, Ackles and Pollock, at Oldbury.

TI said National Tube had been severely affected by the developing recession, and there was no prospect of a return to profit in the foreseeable future.

More short-time working, Page 4

Commodity stabilisation closer

BY JOHN EDWARDS IN LONDON AND BRIJ KHINDARIA IN GENEVA

THE WAY was cleared in Geneva yesterday for the creation of a $750m multinational fund to help stabilise the market prices of basic raw materials, which provide vital export earnings for developing countries.

After two weeks of talks, organised by the UN Conference on Trade and Development (UNCTAD), delegates from over a 100 countries finally reached agreement on setting up the controversial commodity buffer stock fund.

Under the agreement $400m will be used to finance individual commodity agreements, aimed at keeping prices of certain key raw materials within specified limits. The fund will provide the money needed to buy up surplus supplies to prevent prices falling too low in times of plenty and store them until required by the market.

At times of shortage, these stocks could be partially sold to mitigate extreme price rises.

The remaining $350m will be allocated to commodity research and development projects aimed at expanding exports by producing countries.

The buffer stock fund, which is viewed as an important result of the North-South dialogue between industrialised and developing countries, was agreed upon in principle over a year ago. However, considerable problems remained over how it was to be implemented.

Now the disputes have been basically resolved, and agreement on setting up the fund will now go for ratification by governments. The fund could be operational by next year, but first it has to be ratified by

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£700m aid by Bank to boost liquidity

By Peter Riddell, Economics Correspondent

THE BANK of England is lending up to £700m to the banking system to ease severe shortages of liquidity which are expected in the money markets over the next few weeks.

This follows recent heavy sales of gilt-edged stock which will have drained well over £1bn from the markets between last Wednesday and the end of the current banking month in mid-July. In addition, the note circulation is expected to rise and there is likely to be a seasonal drop in Government borrowing.

These pressures might have led to a sharp rise in very short-term interest rates and the Bank of England yesterday said its operation was intended to smoothe out excessive short-term money market pressures."

The downward trend in the general level of interest rates was underlined yesterday by a fall in the Treasury Bill rate at tthe afternoon tender for the seventh week running. The average rate dropped from 15.73 to 15.68 per cent, the lowest level since before the rise in Minimum Lending Rate to 17 per cent last November.

Steadier

This would have indicated an MLR of 16¼ per cent under the old market related formula, which was abandoned two years ago in favour of an administered system.

The announcement of the Bank's new assistance helped to steady the gilt-edged market. In early trading prices had been affected by a continued shake-out after the recent sharp rise. Early losses of £¼ in long-dated stocks were cut to £¼ by the close.

The Bank is providing its help through the offer of facilities for the sale and repurchase of gilt-edged stock from July 4 until August 11. Previous such facilities were limited to clearing banks but this offer is to all listed banks and deposit taking finance houses which are subject to the reserve asset ratio rules.

These require banks to hold at least a minimum percentage of certain types of asset relative to the bulk of their deposits (known as eligible liabilities). The help is available to organisations with more than £33.3m of such liabilities.

Over-spending risk, warning by Treasury

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE CABINET will next week be presented with a gloomy analysis of the short-term economic prospects and a Treasury paper warning of its anxiety over potential overspending in the current financial year.

The much-heralded review of economic strategy — the first since the last election — was originally arranged as a full-day meeting at Chequers on July 16. This has now been changed to a morning discussion next Thursday followed by an examination of public spending in the following fortnight

The main decisions will concern the approach to public sector pay in the coming year and the level of public expenditure both this year and in 1981-82.

The Treasury has become increasingly concerned in recent weeks about the possibility of overspending. This is in view both of the 5.6 per cent overrun suggested by the local authority provisional budgets and of the sharp rise in central Government spending in April and May—up 30.5 per cent compared with a projected 20 per cent increase for the whole of 1980-81 forecast in the Budget.

At this early stage of the financial year Ministers and officials are anxious rather than openly agitated so it is unlikely that any dramatic action will be announced. It is, however, expected to be made clear to departments which look like overspending that they should make adjustments now within their own budgets.

Treasury ministers have said they will press for corrective action if this still looks necessary after the summer holidays. The revised local authority budgets will be received by early August and a decision will then be made on whether to go ahead with action such as a moratorium on the start of new construction projects.

The full extent of the overrun on the British Steel Corporation's external financing limit should also be clear by then and the Cabinet will have to decide how much should come from the £1.3bn contingency reserve.

The second part of the spending review will concern the plans for 1981-82 and later years. It is expected that ministers will only make provisional decisions before the holidays about the volume total for 1981-82, which is likely to be between 1 and 2 per cent less than this year.

The decisions will be tentative because of uncertainties about the extent of the recession and about the possible levels of public spending and borrowing both this year and next.

The Cabinet is likely to decide that ministers should become much more active in attempting to influence wage expectations ahead of the next pay round.

It is likely that there will be frequent speeches in the coming weeks stressing the need for pay rises to be much less than the rate of price inflation.

In contrast to last summer, ministers are likely to be much more specific about the level of pay rises in 1980-81 which they regard to be consistent with the 7 to 11 per cent target for monetary growth. There is some concern in Whitehall about whether such a campaign, probably indicating figures of between 10 and 12 per cent, will be seen as an attempt to set a pay norm.

Richard Evans, Lobby Editor, writes: Mr. Peter Shore, shadow Foreign Secretary, forecast last night that the UK was now approaching the moment of truth when the notorious U-turn in economic policy would have to be made, if the Government was to survive.

For Labour, the time was fast approaching when the themes and content of an effective alternative policy would have to be stated, and they were clear enough. There should be an unswerving commitment to expansion, to the creation of wealth, to the full and most effective use of financial and material sources.

He said the Labour Party should prepare policies to deal with the over-valued pound and the associated problems of excessively high interest rates. There must also be moves to ban excessive import penetration which was destroying Britain's industry.

Mr. David Howell, Energy Secretary, insisted that the Government would be sticking to its policies and there would be no change of direction in the war against inflation.

"The Government will continue, without hesitation, to carry out its duties of maintaining every possible pressure on state spending, achieving its monetary targets and bringing home to the nation . . . the catastrophic consequences of taking a different course," he said in his Guildford constituency.

£ in New York

—	June 26	Previous
Spot	$2.3500 3510	$2.3370-3380
1 month	1.72-1.65 dis.	1.77-1.72 dis
3 months	4.28-4.22 dis.	4.41-4.35 dis
12 months	9.65-9.50 dis.	9.80-9.65 dis

OVERSEAS NEWS

Budget revolt over EEC farm spending fades

BY JOHN WYLES IN LUXEMBOURG

THE STRENGTH of the European Parliament's commitment to a fundamental reform of the Common Agricultural Policy was left seriously in doubt yesterday when the EEC's seven-month wrangle over the size and shape of its 1980 budget moved towards a close and the Parliamentary revolt, which began last December with the rejection of a draft budget, virtually fizzled out.

Although the December vote seemed to promise a determined attempt to shift EEC spending away from agriculture, defenders of the CAP yesterday succeeded in fending off broad criticisms of the policy.

Formal adoption of a slightly revised budget draft for the year may yet be delayed until the Parliament next meets in 10 days' time if in the meantime the Council of Ministers rejects some modest amendments voted yesterday.

The council is expected to take a benign view of the parliament's addition of only £6.7m (11m units of account) to its original proposals for non-farm spending. And it will squash a modification which attempts to reduce funds available for supporting dairy production by £61m (100m units of account).

The guardians of the CAP surfaced as a coalition of German Christian Democrats and Liberals, French Gaullists and Communists and a sprinkling of British European Democrats led by Sir Henry Plumb, former president of the National Farmers' Union.

In a series of votes they removed from the resolution a charge that the European Commission's attempts to curb farm spending had been "insufficient;" deleted a view that the rising costs of surplus products was a threat to the CAP and to the Community; and defeated an acknowledgement that on present policies and commitments the EEC may not have enough money to finance its 1981 budget.

As a result, the resolution appeared relatively unconcerned about the effects of the CAP's weaknesses and contented itself with supporting measures already taken by EEC governments which try to curb the costly dairy sector—currently soaking up more than 40 per cent of CAP funds.

Privately, however, many MEPs are greatly disappointed with the parliament's failure to create more concrete results following its spectacular assertion of authority. Agriculture's share of the 1980 budget, soon to be implemented, is no less than it was in the draft thrown out last December.

Netherlands Government survives confidence vote

BY CHARLES BATCHELOR IN AMSTERDAM

THE DUTCH Government narrowly avoided defeat early yesterday over its refusal to apply an immediate ban on oil deliveries to South Africa. The Centre-Right coalition of Mr. Dries van Agt survived a no confidence motion tabled by the opposition Labour Party by a majority of only two votes.

A revolt by dissident Left-wing members of the Christian Democratic Party crumbled at the end of the all night session, the last of the current parliamentary term.

A motion calling the oil boycott on South Africa was approved by a majority of 79 to 66. When the Cabinet decided such a move would be ineffective and said it would not implement the boycott, a no confidence motion was called but rejected by 74 to 72 votes as many of the dissident Government party MPs swung behind the Cabinet rather than bring it down ahead of the general election due in May.

The Cabinet made some concessions on the boycott issue but did not go as far as most MPs wanted. Mr. Van Agt, the Prime Minister, said the Netherlands will initiate talks to try to persuade its Benelux partners and the Scandinavian countries to join an oil boycott

The Government will also introduce a visa requirement for South Africans, and give extra support to the black countries bordering South Africa to increase their economic independence as well as ending its cultural treaty with South Africa.

Pretoria appoints inquiry into Press 'conduct'

BY BERNARD SIMON IN JOHANNESBURG

THE South African Government yesterday appointed a five-man commission of inquiry into the mass media, charging it with investigating whether "the conduct of and the handling of matters by the mass media meet the needs and interests of the South African community and the demands of the times."

The move seems likely to bring long-simmering tensions between the opposition English-language Press, and the Government to a head.

Mr. Alwyn Schlebusch, the Interior Minister, said yesterday that "members of the public and organisations were constantly lodging serious complaints about the way in which information was being handled by the Press."

The commission's chairman is Judge M. T. Steyn, former Administrator-General of South West Africa/Namibia. Earlier this year he headed an inquiry into the reporting of military and police matters, which suggested that in South Africa "the state's interests could claim precedence over the sivil rights of the population." Mr. Basil Landau, a director of Union Corporation, a major mining house, is a member of the commission.

Angola threat over raid

UNITED NATIONS — Angola served notice yesterday that it would call for outside military help if its forces were unable to repulse an alleged invasion by South African troops.

Mr. Elisio de Figueiredo, the chief Angolan delegate, said fierce fighting was going on in two provinces, and the estimated 6,000 invaders had inflicted heavy casualties.

He told reporters the attack began on Monday, after preparations in early June which included repeated violations of Angolan air space by the South Africans.

The Security Council later was to consider a resolution to censure South Africa, and warn of "more effective measures" if the violations continued.
Reuter

U.S. may boost arms sales to Thailand

By David Dodwell in Kuala Lumpur

THE United States will "seriously consider" increasing arms sales to Thailand following the incursion by Vietnamese troops into Thai territory on Monday, according to Air Chief Marshal Sitthi Savetsila, Thailand's Foreign Minister.

The Air Chief Marshal's announcement followed a meeting with Senator Edmund Muskie, the U.S. Secretary of State, only hours after he had flown into Kuala Lumpur for two days of talks with ministers.

On arrival, Mr. Muskie condemned the Vietnamese incursion into Thailand. "This attack not only violates Thai territorial integrity and threatens its security, it may represent an expansion of the conflict and exacerbate the suffering of the Thai and Khmer people," he said.

"We are here to express our view that the Vietnamese incursion into Thailand is a dangerous threat to peace. I am here to learn more of the facts about this incursion because we deeply care about stability and national independence in this area."

The U.S. is expected to accelerate the supply of arms and military equipment already due to Thailand—notably 30-40 M48 tanks. It is considering easing the terms for repayment of military sales credits, and is also likely to boost credits from $35m this financial year to $50m in 1981.

Thailand is expected to buy between $250m (£106.38m) and $300m (£128m) worth of military equipment from the U.S. this year most of this is small arms and ammunition, although 15 M48 tanks were delivered last October.

U.S. State Department officials confirmed Air Chief Marshal Sitthi's report of the discussion on arms, adding that the U.S. is to grant $2m for the relief of Thai villagers and Khmer refugees displaced by the most recent disturbances along the border. This will go directly to the Thai Government. All previous aid has been channelled through the International Red Cross.

S. Yemen visitor

Mr. Ali Nasser Muhammad, the South Yemeni President, today begins a visit to Saudi Arabia which is expected to lead to some improvement in the relations between the kingdom and Aden, which maintains close links with Moscow, writes James Buchan. This is the first visit of a South Yemeni president to Saudi Arabia since the removal last April of the hard-line party leader, Mr. Abdul Fattah Ismail, as president.

Israel army plans

Israel has plans ready to change the deployment of the army in the occupied West Bank and Gaza Strip if Palestinian autonomy is instituted there. Planning was completed in time for the meeting in Washington early next week between Egyptian, U.S. and Israeli negotiators designed to get the talks restarted, writes David Lennon in Tel Aviv. Egypt had earlier demanded that Israel detail its security requirements in the West Bank and Gaza.

Mauritius claim

Mauritius is to "lay fresh claims" with Britain for the return of Diego Garcia, the U.S.-operated military base in the Indian Ocean, writes David Tonge. Sir Seewoosagur Ramgoolam, the Prime Minister of Mauritius, said yesterday that he would make the claim in London on his way back from the summit of the Organisation of African Unity in 10 days' time.

Moscow 'halting troop withdrawal from Afghanistan'

KABUL—The Soviet Union has made it clear that there would be no further withdrawal of Soviet troops from Afghanistan "until foreign interference in the country's internal affairs stops," diplomats said yesterday.

In a message to Italy in its capacity as chairman of the EEC ministerial council, Moscow also said that more troops could be sent to Afghanistan if required.

The diplomats said the Soviet Ambassador in Kabul, Mr. F. A. Tabeev, conveyed the message to the Italian charge d'affaires, Sig. Ciesa Capitani, on Tuesday, two days after Moscow announced the withdrawal from Afghanistan of some military units whose presence in the country was "not essential."

Diplomats in Kabul estimate that about 100 tanks and up to 8,500 troops have been or are being withdrawn. The Soviet message to Italy spoke of one division, but one official said only about 3,500 men had so far been pulled out.

Western estimates put the Soviet military presence in Afghanistan at 80,000 to 100,000 men. Diplomats said the Soviet Union has withdrawn units and equipment including missiles unsuited for counter-insurgency operations.

They claimed that anti-government insurgents were active as near as 30 kilometres (20 miles) from Kabul, but said the rebels could not threaten the capital which is surrounded by Soviet troops.

The Soviet Union said its partial pull-out of troops had been made possible by the serious defeats suffered by the rebels and a gradual return to normalcy in Afghanistan.

British officials in London said yesterday that the Soviets had suffered between 3,000 and 5,000 casualties since their military intervention last December when President Babrak Karmal was installed in power.

Diplomats said the Soviet message to Italy reiterated that any negotiated settlement of the Afghan crisis should be based on the peace proposals put forward by Kabul on May 14. These called for bilateral talks with Pakistan and Iran and guarantees of an end to foreign interferences in Afghanistan backed by assurances from the U.S. and the Soviet Union.

The Soviet message also specified conditions under which Kabul and Moscow would be prepared to hold talks with a three-man committee appointed last month by the Islamic Conference organisation to seek a negotiated settlement.

It pointed out that a meeting in Switzerland last weekend between the EEC Ministerial Committee and Afghan rebel leaders had precluded the possibility of the Afghan government speaking to the Islamic panel.

But according to the diplomats, the message said Kabul would still be prepared to talk to the committee provided the Afghan government was put on a different level than rebel organisations. Moscow would also be prepared to talk to the committee after its discussions with Kabul, they said.
Reuter

How the West stands after the summitry

BY REGINALD DALE IN ISTANBUL

THE WEST has come through the past two weeks of summitry and ministerial consultations in rather better shape than many had feared. The differences, of course, are still there, and it would be wrong to suggest that two summit meetings in Venice, a trip by President Jimmy Carter to Europe and a North Atlantic Treaty Organisation meeting in Ankara have done much to solve the world's problems.

They have, however, if only symbolically, underlined a "solidarity" which has so often been more remarkable by its absence in recent months, as the West has tried to digest the consequences of the Soviet invasion of Afghanistan. The new approach is to accept that the Western democracies are entitled to differing views over such international issues as the Middle East and relations with Moscow—provided, and it is an important proviso, they do not allow the Soviet Union to exploit them.

President Giscard, left, has his neutron bomb, Chancellor Schmidt, right, his plans for Moscow.

It is possible, of course, that the other countries feel aggrieved that their Atlantic Alliance meeting was upstaged by President Valery Giscard d'Estaing's announcement, apparently without warning, that France had decided in principle to deploy a neutron bomb.

Electoral considerations have, of course, coloured the statements of Western solidarity over the past week. Chancellor Helmut Schmidt, Mr. Carter and M. Giscard all face re-election in under a year, and if the Europeans still distrust, and in some cases dislike, Mr. Carter, they have not been saying so openly.

No Western country was seduced by President Leonid Brezhnev's announcement of a partial troop withdrawal from Afghanistan. Indeed, it possibly did more to unite the West, coming as it did on the eve of the Venice summit. The U.S. certainly saw the speed of the Western rejection as one of the most important signs of Western unity for a long time.

The problems caused by Herr Schmidt's visit to Moscow next week also appear to have been patched up. Herr Schmidt will not let the side down in Moscow, even if his views still differ slightly from Washington's.

Herr Schmidt has to pacify left-wing opinion in Germany, and inside his own party, by stressing his willingness to negotiate limits on the long-range U.S. nuclear weapons which are to be installed in Western Europe at the end of 1983.

That is totally consistent with the alliance's December decision to go ahead with the plan. German officials stress Herr Schmidt has never called for a freeze on introducing the missiles into Western Europe if the Soviet Union stopped deploying SS 20 mobile missiles—the weapon which provoked the Western response.

A freeze would clearly leave the Soviet Union in the position of superiority. According to Atlantic Alliance figures this week, Moscow has deployed 150 SS 20s, each with three warheads, and is continuing to do so at the rate of one missile every five days.

Little is likely to happen on arms control until after the U.S. presidential election in November. The Russians are unlikely to be quick to drop their precondition for negotiations, which is that the West suspends its decision to instal the missiles.

Where there were differences, they were aired in public. Europe, more dependent on Arab oil than the U.S., wants to affirm the Palestinians' right to "self-determination." The U.S. fears that to say so now would further disrupt the Camp David peace process, but the different European viewpoint has not caused the predicted major split.

The other contentious point is the approach to this autumn's Madrid meeting, which will review the 1975 Helsinki Agreements on co-operation and Security in Europe. France wants the meeting to endorse its top project of a 35-nation European disarmament conference, which will start by looking at what is known as "confidence building measures." These are undertakings from both East and West to provide information about major troop manoeuvres, to calm fears that they are the prelude to an assault across the East-West divide in Europe.

The U.S., however, wants to wait and see what has transpired in Afghanistan and other problem areas, before giving the go-ahead. It wants the Madrid talks to start with a serious cross-examination of the Russians and their non-fulfillment of Helsinki commitments—based on human rights and the inviolability of frontiers.

The Atlantic Alliance meeting compromised by backing the French plan, on condition that the cross-examination process proves hopeful. In return, the French have accepted that the second stage of their proposal, Europe-wide disarmament negotiations should be put off into the fairly distant future.

President Giscard cannot, or feels he cannot, associate himself too much with the rest of the West before an election, as he would risk accusations of abandoning France's independent foreign and defence policy. But it is more difficult for France to be independent when East and West are confronting each other.

France seems to be participating at least privately in the secret Western consultations which followed the Afghan invasion. Devising the best framework for those consultations is the next task facing the West, if it is to transform professions of solidarity into practice.

CLANDESTINE RADIO ATTACKS ON KHOMEINI

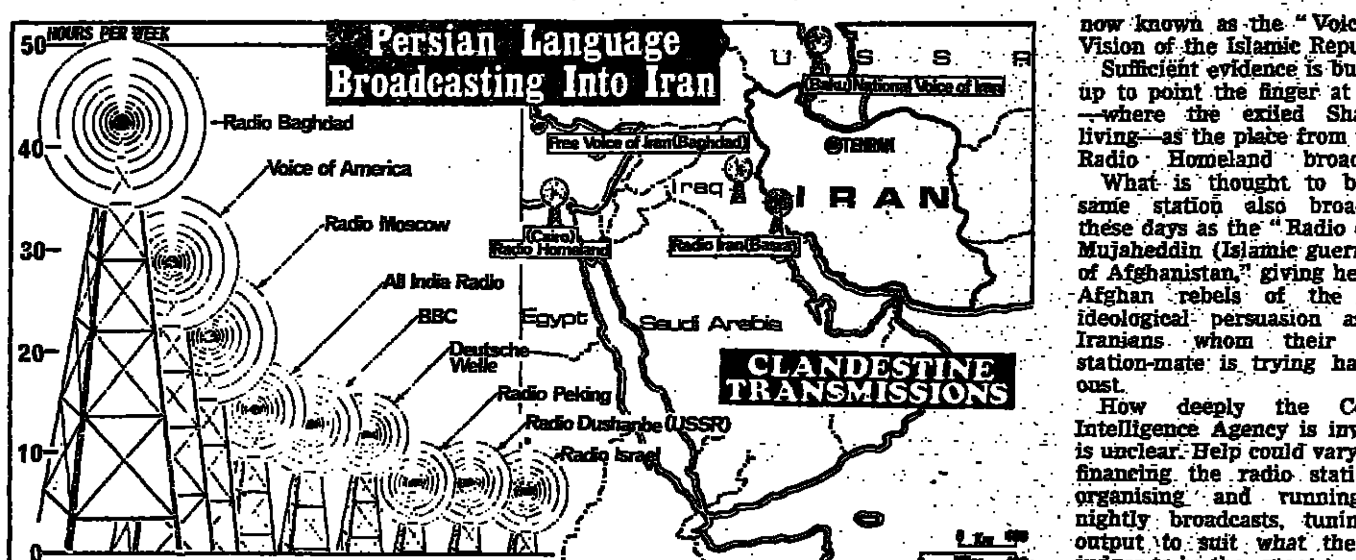
Iranians in exile take to the airwaves

ANDREW WHITLEY, RECENTLY IN TEHRAN

A NEW weapon has gone into the armouries of the exiled Iranian Opposition groups fighting Ayatollah Khomeini's regime. It may be having an even more powerful effect than the exiles themselves had hoped.

The Ayatollah's opponents, learning the lesson of the February 1979 revolution which dislodged them, are turning to the airways to mount a frontal psychological attack aimed at undermining morale and paving the way for a military coup.

Within the past six weeks three clandestine radio stations have been set up to beam broadcasts in Persian into Iran assisted by neighbouring states which would be happy to see a change of regime in Tehran. Money is thought to come from further afield, including the U.S. and Israel.



They join already crowded wavebands. A longstanding clandestine station, the National Voice of Iran has been transmitting for over 20 years from Baku in Soviet Azerbaijan and there are 15 other above-board radios broadcasting in Persian as part of established external services.

So great has been the interest generated by the new arrivals, with their fiery condemnations of the clerical regime and predictions of its imminent demise, that many discontented Iranians of my acquaintance switch from one station to another, then tape-record the "messages of hope" to replay to their friends.

Nor are the listeners confined to confirmed malcontents and Western-educated or orientated Iranians. In the bazaars and small shops of southern Tehran, as well as in provincial towns, transistor radios are tuned in every evening to the crackling stations calling themselves "The Free Voice of Iran," "Radio Iran" and "Radio Homeland."

Two of the new clandestine radios can be clearly identified and almost certainly located. Radio Iran broadcasts on behalf of Dr. Shahpour Bakhtiar, the Shah's last Prime Minister who now runs his campaign against the mullahs from a Paris headquarters.

The Free Voice of Iran acts for Gen. Gholam Ali Oveissi, the "butcher of Tehran" as he was known in pre-revolution days, who heads the so-called Liberation Army of Iran.

Both their radios, which began transmitting within a few weeks of each other in May, are believed to be based on Iraq. The Bakhtiar camp claims that their transmitter is sited on the border with Iran, just inside Iraqi territory, although technical evidence suggests that a 100-kW transmitter, as they claim to possess, is more likely to be in Basra.

Almost certainly their rivals, who transmit coded messages to friends in the regular Iranian armed forces and give instructions to local cells to "watch your district's clergyman" in preparation for an uprising, transmit from Baghdad itself, using the facilities of the government radio.

Most interesting, and most shadowy of all, however, is Radio Homeland, which has been broadcasting to Iran for up to an hour every evening for the past six weeks or so.

Monitoring has disclosed little more than that it is vehemently anti-Khomeini and realises how much popular interest it can generate by broadcasting old-style Persian songs and poems to a people depressed for over a year by an austere diet of Islamic themes from what is now known as the "Voice and Vision of the Islamic Republic."

Sufficient evidence is building up to point the finger at Cairo—where the exiled Shah is living—as the place from which Radio Homeland broadcasts.

What is thought to be the same station also broadcasts these days as the "Radio of the Mujaheddin (Islamic guerrillas) of Afghanistan," giving heart to Afghan rebels of the same ideological persuasion as the Iranians whom their radio station-mate is trying hard to oust.

How deeply the Central Intelligence Agency is involved is unclear. Help could vary from financing the radio station to organising and running its nightly broadcasts, tuning its output to suit what the U.S. judges to be the extent to which the Khomeini regime is disintegrating.

Other, much smaller clandestine radios operate within Iran. An aide of Dr. Bakhtiar said yesterday that their supports have a mobile station within Tehran, moving physically and on the airways to evade detection. Other similar radios are known to exist in the Iranian Kurdish region in the west.

Many still listen to the established foreign radios, in particular the BBC and Voice of America (which has raised its output to an enormous four hours a day), even if they are often dismissed by Iranians as tame in contrast with the exciting prospects held out by their more shady rivals.

هكذا من الأعمال

Two bomb deaths during Bolivia presidential rally

BY OUR FOREIGN STAFF

AT LEAST two people were killed and 48 injured on Thursday night when a fragmentation grenade was tossed into a crowd in the Bolivian capital La Paz.

The explosion occurred as supporters of Sr. Hernán Siles Zuazo, a leftist presidential front runner in tomorrow's election, marched past a hotel. The grenade was tossed from a third story window, according to witnesses.

The rally for Sr. Siles Zuazo drew at least double the crowd attending rallies for other political candidates and marked a violent end to Bolivia's third presidential election campaign in as many years. Tear gas bombs were also set off at the rally.

The bombings broke a period of relative calm in the campaign but most observers believe Bolovia's armed forces will not intervene at least until after tomorrow's voting. Some 13 candidates are posted for the presidential race

To win the election a candidate must garner "half the votes plus one." Failing that, Bolivia's Congress must elect the president. Last year, Sr. Siles Zuazo won a plurality of votes but his opponent, Sr. Paz Estenssoro, won more congressional votes and the election was deadlocked. The congress then chose Sr. Walter Guevara Arze, president of Congress, to serve for a year until new elections could be held.

Sr. Guevara was overthrown in a bloody coup d'etat in November of last year by an obscure army colonel, Alberto Natusch, who ruled for 16 days before agreeing to return power to a civilian president. The Congress then chose Sra. Lidia Gueiler, Sr. Guevara's successor as president of Congress, to serve as head of state.

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UK NEWS

Zimbabwe £100m debt settlement agreed

BY TIM DICKSON

THE TREASURY announced last night that a settlement had been reached with the Zimbabwe Government over almost £100m of debt incurred before the unilateral declaration of independence by the Smith administration. This will end a long wait for the estimated 15,000 UK holders of Southern Rhodesia bonds.

About half the £100m, comprising unpaid interest and unredeemed capital, is due to them through holding the 12 Southern Rhodesia bonds quoted in London. The rest is owed to the British Government.

Details of the arrangements agreed will be announced in the Commons early next week, but the terms of the settlement with bondholders may not be disclosed for a few days.

It is understood that an announcement will not be made until the tax position for individuals is clarified by the Inland Revenue.

The difficulty, apparently, is how to tax that part of the compensation which relates to unpaid interest. In normal circumstances basic rate tax would have been deducted before the stockholder was paid.

The Council of Foreign Bondholders, which represented bondholders in the parallel talks which have been held in London in the past few weeks, said last night it had agreed to the terms.

Bonds typically showed gains of about £5 yesterday before being suspended ahead of the news. Southern Rhodesia 2½ per cent 1965-70 put on £5 to £155. Southern Rhodesia 6 per cent 1978-81 also added £5 to finish at £168.

Observers believe the compensation will take the form of new stock, with the possibility of a cash element.

Commons row over disclosure of South African wages

BY IVOR OWEN

BRITISH COMPANIES are entitled to the protection of the libel laws if they are falsely accused of paying starvation wages to their black African workers in South Africa, Mr. John Nott, the Trade Secretary, said in the Commons yesterday.

This was his principal justification for the Government's refusal to give way to Labour demands for the publication, under Parliamentary privilege, of a list of British companies whose black workers may be receiving wages below the poverty datum line set by the EEC.

Mr. Nott hit out vigorously in refuting Labour charges that by failing to publish such a "blacklist" the Government was evading its responsibilities and blocking further progress in securing an improvement in the living standards of black South African workers.

Mr. John Smith, the Shadow Trade Minister, and other Labour MPs repeatedly clashed with Mr. Nott.

Mr. Smith recalled that in his period of office as Trade Secretary he authorised a parliamentary reply listing the names of British companies who, in the Labour Government's opinion, were paying their black workers below the EEC code.

The present Government, he said, had made available information supplied by British companies with interests in South Africa without making any attempt to evaluate it. Interested parties had been left to "quarry" for material they wanted.

Mr. Nott said in addition to wages, provision of fringe benefits, trade union recognition, and other factors needed to be taken into account when considering the record of British companies.

Naming companies alleged to be paying low wages, and not naming the companies which failed to provide any of the information required by the EEC code, did nothing to achieve this objective. The "blacklist" published by the Labour Government had been misleading.

Cumbria gas contract for Davy McKee

BY SUE CAMERON

DAVY McKEE, part of the UK Davy group, has won the management contract for the £55m natural gas terminal which British Gas is to build at Barrow-in-Furness.

Yesterday neither Davy nor British Gas would say how much the management services contract was worth.

The main construction contracts for the Barrow terminal, which will process gas from the Morecambe Bay Field in the Irish Sea, are not expected to be announced until the end of the year.

British Gas still has to obtain planning permission for the terminal from Cumbria County Council. The council Planning Committee has said that it is "minded to give approval."

The Morecambe Bay Field, discovered in 1974 and declared commercial in 1978, has estimated reserves of 5 trillion (million million) cubic feet. It is 22 miles south-west of Barrow.

British Gas hopes that the multi-million pound development of the field will start early next year. Initial supplies of gas from Morecambe Bay are due to start coming through towards the end of 1983.

Minister gives hope of school milk

By Larry Klinger

MR. PETER WALKER, the Minister of Agriculture, held out a prospect yesterday for widespread return of free milk in schools.

He said in a written Commons reply that the Government was anxious "that local authorities should not be prevented from taking advantage of the generous subsidies available from the EEC."

The Government had raised the proposal with the European Commission.

"If this is accepted, as I believe it will be," Mr. Walker said, "It should be possible for local authorities to take advantage of the available EEC subsidies while still making their own decisions on pricing, and without necessarily incurring any cost themselves."

The statement was initially widely interpreted as heralding the comeback of free milk and, moreover, financing it with a £25m subsidy from the EEC. The education authorities, on reflection, became less than sure.

Subsidy query

Whereas provision of school milk for the young schoolchild was obligatory before the Education Act of this year, it is now up to the discretion of local authorities.

How many schools continue to provide free milk is not known, but the Department of Education puts the 1978-79 cost of subsidised milk at £21.8m, which, it says, attracted a £9.3m EEC subsidy.

The Ministry of Agriculture believes that without furthe representations from the Government or applications from councils, the subsidy would grow to £15m this year, but under the EEC regime a total of £40m is available. Hence the additional £25m.

The only serious requirement for receiving the subsidy is that 25 per cent of the milk's cost is borne by central or local government.

● The Dairy Trade Federation welcomed the Minister's comments yesterday, and said it was aiming to start the scheme at the beginning of the next school term.

Welcome for report on Lloyd's

BY JOHN MOORE

THE DEPARTMENT of Trade, the ultimate supervisors of Lloyd's of London, has welcomed a report which has recommended sweeping changes in Lloyd's structure.

Mr. Reginald Eyre, Parliamentary Under Secretary for Trade, said the report, prepared by Sir Henry Fisher and a working party, represented a thorough analysis for which Sir Henry's team were to be congratulated.

The report, which studied self regulation at Lloyd's, was commissioned by Lloyd's. The key recommendations said Lloyd's should have a rule-making 25-man council, which would give the non-working members of Lloyd's and outsiders a say in the government of the insurance institution, which is backed by private wealth.

A series of disciplinary proceedings are recommended for the market. It is suggested that over five years the shareholding links between Lloyd's insurance brokers and managing agencies, the groups which look after the affairs of underwriting syndicates, should be terminated.

Mr. Reginald Eyre said: "Ministers want Lloyd's to continue as a self-regulating body, and the interests of all those concerned obviously require that self-regulation to be effective.

"The report puts forward a set of proposals to that end which deserve full examination. The report was commisioned by Lloyd's and it is for them to consider it and bring forward proposals for action."

As a result of the Fisher proposals, accepted in principle by the 16-strong ruling Lloyd's committee, a new Act of Parliament will be required.

Lloyd's is attempting to present a Bill to Parliament by the end of November. "Failure to do so will result in a delay of 12 months," Mr. Peter Green, Lloyd's chairman, has told members.

Not everything is A1, Page 16

Comfort for SNP only

BY RICHARD EVANS, LOBBY EDITOR

NEITHER of the two major parties was able to take much comfort yesterday from the result of the Glasgow Central by-election, but the Scottish National Party greeted its second place jubilantly as the first sign of a revival.

Although Mr. Bob McTaggart won the seat for Labour with 60.8 per cent of the poll, this was more than 11 per cent down on the General Election, and the majority was cut from 6,605 to 2,780.

For the Conservatives the result was an unqualified disaster in what was admittedly the unrewarding territory of Labour's fourth safest seat, and one of the most blighted inner-urban areas in Britain.

Mrs. Anne McCurley, the Tory candidate, attracted a derisory 707 votes and the humiliation of a lost deposit.

The Government's economic stringency and the unemployment figures early in the week cannot have helped her cause.

No firm conclusions can be drawn from such an untypical constituency, which is certain to be phased out by the Boundary Commission before the next General Election, but the Nationalists have given a warning to the two major parties that they could be back in business as a focus for political discontent in Scotland.

Labour Party proposals are delayed

THE PROPOSED Labour Party electoral college, which would choose the leader and control the manifesto, is creating grave difficulties for the party's Commission of Inquiry, writes Richard Evans.

The four-man committee, formed to decide how the college should operate, failed to reach a conclusion yesterday, and will meet again on Tuesday. Originally it was to have completed its draft proposals earlier this week.

The central problem is that the electoral college, proposed as a compromise by the trade unions and supported by Mr. Callaghan, is under fire from many sections of the party. The Left wants control of the manifesto to be in the hands of the national executive committee and the party conference, but the majority of Labour MPs want to retain the right to elect the party leader.

There are growing signs that unless a satisfactory formula can be found, the whole question of an electoral college could be thrown out at the party conference, leaving some of the key constitutional issues unresolved.

Mr. John Silkin, Labour spokesman on industry, said in a speech at Chatham last night that it was understandable that 15 months after a devastating electoral defeat, the Labour Party should be intent on putting its own house in order. But while the party concentrated on this issue, there was a danger of obscuring its policies which were the only alternative to the social, economic and industrial anarchy created by the Tory Government, he said.

Keep the BBC orchestras, say MPs

A REASSESSMENT of priorities by the BBC to prevent the planned disbandment of five of its 11 house orchestras was demanded by MPs of all parties in the Commons yesterday.

Programmes commanding bigger audiences, if necessary, Radio One in its entirety, should be sacrificed before the orchestras, they urged.

Mr. Leon Brittan, Home Office Minister of State, again made it clear that there was no question of the Government authorising a further increase in the licence fee to enable the BBC to overcome its financial problems.

Mr. Brittan stated: "No other European broadcasting organisation employs as many as six orchestras.

While MPs debated how to avert the threatened cuts, outside the Commons a 55-piece orchestra played Handel's Water Music from a boat on the Thames.

At one point river police boarded the vessel to issue a warning that an offence would have been committed if it lingered too long near the Houses of Parliament.

BA defends Olympics decision

By Arthur Sandles

UNCERTAINTY over how many Britons will attend the Olympics lies at the heart of the row over British Airways' withdrawal of six charter flights to Moscow provisionally booked by David Dryer Sports Travel.

Although industry sources suggested the airline had not followed normal practice by sticking to the letter of its contract with Dryer, BA insisted yesterday there had been no political pressure to cancel the flights.

Mr. Dryer's provisional contract with the airline expired on June 12, by which date he had to commit himself to the six flights which would have carried mainly athletes, officials and journalists at special package tour rates.

But many potential travellers had not made a final decision b-- then, and the Dryer organisation—one of the biggest specialists in transport to international sporting events—had to guess the likely demand.

Under such circumstances an airline usually gives its customer time to settle the position, particularly when, as at present, demand for airline seats in general is slack. But BA chose to interpret its contract to the letter.

BA said there might be slack in the market elsewhere but it was facing heavy demand for its aircraft.

Mr. Dryer said he considered the airline's attitude unreasonable. Aeroflot would probably now carry the passengers on charter flights subject to Department of Trade approval, he said.

UK NEWS

Jason Crisp looks at the dwindling record-changer market

Factors that ended UK domination

CLOSURE of two factories this week by BSR marks the end of an era in which Britain once dominated the world market for record-changers.

Seven years ago two British companies, BSR and Garrard, had over 80 per cent of the available world market; now it is estimated to be about 30 per cent.

The strong pound, high interest rates and recession in the U.S. make up the familiar catalogue of woes being blamed for the two closures by BSR, which with redundancies at other factories will put 2,300 employees out of work.

The closures come less than eight months after an earlier one, which means that all three factories in East Kilbride have been shut with a loss of 2,500 jobs.

BSR has for the most part concentrated at the low end of the range of record turntables, selling in high volume and at low cost. At its height it produced more than 230,000 record changers a week, but with the latest closures it is believed to be making less than 100,000.

Though the company became well known for its ability to sell turntables to Japanese manufacturers to put into their equipment, by far its largest market is in the U.S. which accounts for 70 per cent of its sales.

Inevitably the strength of the pound against the dollar has been a major problem as the company's major competitive advantage has in the past been its low-cost products.

But another reason for falling sales in the U.S. market has been the rapid change in America's hi-fi market in the past two-and-a-half years. For the most part BSR record-changers have been put in low-cost "medium-fi" players mainly bought for teenagers.

Several things have happened. First, in the U.S. there are fewer teenagers than there were; second, and more important, the trends in music listening have changed.

Low-cost music centres from Japan with direct-drive turntables like those of a hi-fi, without a changer, have attracted a growing share of the market to the detriment of the very cheap record-player.

There has also been a move away from record-players and into cassette-players, which has *also been partly responsible for* a significant collapse in sales of records.

It is not the first time BSR has had to make cuts. In the 1974-75 recession the company cut production drastically and made staff redundant before recovering strongly in 1976. But this time the problems are greater because it has an additional burden from the strong pound and from more rapid change in both technology and taste.

BSR's basic record-changer system was introduced by its founder, Dr. Daniel Macdonald, in 1968, and the company's strength stemmed from gaining very high volumes at a very low cost. As sales volume increased it found it economical to make more and more of its own parts, and become virtically integrated.

Pre-tax profits last year tumbled to £3.88m from a 1976 high of £28.8m. With high stock levels last year borrowings *climbed steeply.*

Garrard, the other big manufacturer of record turntables in Britain, was eventually sold, a shadow of its former self, to Gradiente, a Brazilian company.

At its height in the early Seventies, Garrard employed more than 4,000 people and made 2m record turntables a year. After a series of errors, particularly with intoduction of new turntables, it started having heavy losses and became a very heavy drain on Plessey, its parent company.

Blaming the Japanese for increased competition, Garrard made cuts on several occasions, with several factory closures, but failed to stem the losses, which recurred for five years running and totalled nearly £12m.

When it was sold to Gradiente only 580 employees were left, of whom 155 were made redundant at the beginning of this year. By then it was one-tenth its size in the mid-Seventies.

In the short-to medium term, analysts believe the outlook for BSR is bleak, with the company squeezed from a number of directions.

The vital U.S. market is unlikely to recover as quickly as in 1974-75. Consumer demand is moving to up-market products more quickly than BSR is, and unlike last time the pound remains very strong against the dollar.

Call to waive £5.5m Meriden debt after takeover move

BY JOHN GRIFFITHS

THE GOVERNMENT will be asked in the next few days to *waive £5.5m owed to it by the* Meriden motorcycle co-operative, following a proposed takeover by the Hull-based Armstrong engineering group.

The first hurdle towards Armstrong's take-over has been cleared with the acceptance by the 460 Meriden workers that two-thirds of them will be made redundant.

The next is to persuade Sir Keith Joseph, the Industry Secretary, to write off its £4m loan and £1.5m interest charges, which he has steadfastly refused to do for a year.

Mr. Harry Hooper, *chairman* of Armstrong Equipment, who is behind the proposal, has said unless Sir Keith changes his mind the deal will not go ahead.

Armstrong believes Meriden has been grossly overmanned, and that even with a third of the existing workforce it could continue to produce about 100 motorcycles a week, very close to the current level.

The deal would also involve selling off the main Meriden factory and some of its equip*ment, aimed at bringing in* about £500,000.

Once Meriden was operating profitably Armstrong would seek to expand its Triumph model range—it has only a number of variants on a 750 cc model—into the 1,000 cc and 500 cc classes.

Mr. Hooper indicated yesterday that Armstrong would seek to achieve this using British engines and gearboxes, although he did not rule out seeking Japanese components for motorcycles of smaller capacity which might be produced later.

Armstrong would seek to retain the co-operative system of working, rather than see a workforce - shop stewards - management pattern re-emerge.

No details have been disclosed of what the takeover might cost Armstrong. Apart from Meriden's Government debt, it owes trade creditors just over £1m.

Mr. Hooper said yesterday an approach would be made to the *creditors after contacts* with the Government.

Armstrong said yesterday it *was interested in Meriden as a* visible, customer-oriented product, in contrast to its traditional motor components activities, and because "we think there ought to be a British motorcycle capable of holding its own in international markets."

The Hull group has an annual turnover of about £100m. In the half-year to December 31, a period badly affected by industrial disputes, its pre-tax profits were £4.31m.

Meriden has been dealt with by Lord Trenchard, Minister of State for Industry, since the General election and he will have to consider whether to press the company to agree to pay at least some of the loan or interest.

But the Government is unlikely to want to see the business close because of the losses that would be incurred by other creditors and because there is also Export Credit *Guarantee money outstanding.*

Government allows aid for fish company

THE GOVERNMENT is to allow the use of inner-city funds to launch the Hull Fish Landing Company, which will provide a fish landing facility in the port.

It follows the voluntary liquidation earlier this year, of the Hull Fishing Vessel Owners Association.

The new company is a co-operative of trawler owners, unions and fish merchants. Hull City Council supports the project and is providing £30,000 immediately from its £2m inner city fund so the company can start operating. The Government has sanctioned the use of up to *£120,000.*

The association went into voluntary liquidation earlier this year—with debts of almost £500,000—because it was financially unable to continue fish landing.

Short-time working spreads to many industrial sectors

BY LISA WOOD

TUBE INVESTMENTS, one of the country's largest engineering businesses, has put about 2,000 workers in its domestic appliance division on short-time working.

This is about 20 per cent of the total workforce in the division. The company as a whole has more than 4,000 workers on short-time.

Tube Investment, whose domestic appliance products includes Creda cookers, Ascot heaters and Glow-worm central heating systems, said it was suffering, like all UK manufacturers of domestic appliances, from a sudden slump in new orders. The position in the first three to four months of this year had been relatively good and the slump had been sudden.

Hotpoint, another major manufacturer of domestic appliances, yesterday announced that 477 of its 1,000 employees at its Swinton factory, near Mexborough, are to be made redundant because of the fall in demand for electrical goods.

The drop in demand for components for the industry is illustrated by GEC Machines proposing that about 70 full-time workers, out of more than 800 at its Newcastle-underLyme factory in Staffordshire, be made redundant.

Falling consumer spending was underlined yesterday by the Knitting Industries Federation which estimated that in the past 12 months more than 8,000 employees in the industry, or 7 per cent of the labour force had lost their jobs.

In a meeting with Mr. David Mitchell, Parliamentary Under-Secretary of State for Industry, the industry spoke of the crisis currently facing it as import penetration, mainly from low-cost countries advanced sharply while consumer spending on clothes had slumped.

James McDonald writes: British Twin Disc — power transmission engineers of Stroood, near Rochester, and a subsidiary of Twin Disc Inc. of the U.S.—is to lay off about 170 people, a third of its work force, in August because of losses and increased competition. The company makes gears for the materials handling and earth-moving equipment industries.

The company is to sell the smaller of two buildings on its seven acre site and some of its machine tools to concentrate the remaining labour force in the larger machine shop.

David Churchill writes: F. W. Woolworth stores chain has been forced to introduce a limited form of short-time working in two or three stores in the North of England. These stores have been particularly badly hit by the recent fall in retail spending.

Receiver called in by Admiral Sportswear

Admiral Sportswear, the Leicestershire-based company which makes the kit for England's football team, has *called in the Receiver, writes* Lisa Wood.

Mr. Richard Turton, the Receiver, said the company would continue to trade for the time being in the hope of finding a buyer for the business which employs about 252 people.

The Football Association *recently signed a second five-*year contract, reported to be worth more than £1m, for Admiral to supply all England football teams with its kits. The English FA

APPOINTMENTS

Senior Burton group post

THE BURTON GROUP has appointed Mr. W. M. Wood group financial controller and an alternative director of the main board.

★

HIGGS AND HILL BUILDING has made the following appointments: Mr. N. L. G. Lambert and Mr. D. F. Strange have been appointed assistant managing directors. The following have been appointed directors with the particular executive responsibilities: Mr. J. J. W. Abbott, surveying; Mr. T. A. Brailsford, management and fee contracting; Mr. J. T. Denyer, construction management, London and the Home Counties; and Mr. L. Stoller, Northern region (Leeds).

★

Dr. William Frith has been appointed to the board of LAPORTE INDUSTRIES (HOLDINGS) as technical director from July 21.

★

Mr. Brian W. Waters of Arthur Young McCelland Moores and Co. takes up the position of executive vice-chairman of The AMSA GROUP in Amsterdam on July 1. The AMSA Group is the federation of European accounting and audit firms associated with Arthur Young International.

★

Mr. Donald C. Macpherson has been appointed to the board of McNEILL PEARSON, merchant bankers, Edinburgh. Mr. Macpherson is a partner in Fielding Newson-Smith and Co. and a director of Hogarth Shipping Company. Mr. John Maclean, also a director of Hogarth Shipping Company will act as his alternate.

★

From July 1, FCB LONDON is making the following changes: Mr. Ian Fawn-Meade will be managing director and Mr. Bill Barry, who is head of account management, will be deputy managing director. Mr. Martin Munden, who is the senior director, will become a vice chairman (from January 1981). Mr. Tony Gorman has been appointed to the Board as finance director, Mr. Bill Kiely will be chairman and chief executive.

★

Mr. Anthony Ludgate and Mr. John Titmuss have been appointed directors of LEOPOLD JOSEPH AND SONS.

★

Mr. A. D. Tunbridge has been appointed to the Group management committee of HOVERINGHAM GROUP in succession to Mr. W. J. Sheppard, who continues as deputy chairman.

★

Mr. Anthony W. Schooling, buying controller, and Mr. David J. Gale, general manager of the Regent Street store, have been appointed directors of AUSTIN REED LTD.

★

Mr. L. S. Wilson resigns as chairman of the Board of BUNZL TEXTILE HOLDINGS on June 30, but continues as a non-executive director. Mr. G. G. Bunzl will join the Board on July 1 as chairman.

★

Dr. P. M. Maguire has been *appointed marketing director of* AMERICAN MONITOR INTERNATIONAL.

★

Managing director of Glaxo Nigeria Mr. Simon Davidson, has been appointed Group ethical products marketing co-ordinator of the parent company, GLAXO HOLDINGS. Mr. Davidson will return to the UK to take up his new position on August 1.

★

Mr. Jean Laugel has become finance director of RENAULT TRUCKS AND BUSES UK.

★

Mr. William Starkey, previously senior vice president of Sweda International and chairman of Litton Business Systems UK has been appointed chairman of the REDPORT - NET COMPANY, Bridport, Dorset, as successor to *Lt. Gen. Sir Douglas* Packard who has retired.

★

Mr. David Hawkins, Unilever's UK national accountant, has been appointed commercial director of BOCM SILCOCK. He succeeds Mr. Ken Chambers who retires in October.

★

Mr. Malcolm R. Thorne will be joining the Board of Directors of H. L. THORNE AND CO. on July 1.

LABOUR

Post Office workers plan single union in industry

BY NICK GARNETT, LABOUR STAFF

FORMAL PROPOSALS for the formation of one union covering both posts and telecommunications are to be put to the industry's unions by the Union of Post Office Workers.

This follows a separate initiative by the Post Office Engineering Union for the creation of a very loose federation covering those unions operating solely within British Telecoms.

The moves reflect attempts by the Post Office unions to devise some form of new joint union structure in view of the impending split of the Post Office next year. Intensive discussions between senior officials are likely to take place over the next six months.

The executive of the Union of Post Office Workers confirmed this week that the Council of Post Office Unions, the existing joint-union co-ordinating machinery, will disappear after a further year.

This also throws into question the structure of local and regional consultation with Post Office management which, along with the national structure, has to be replaced.

Although the Union of Post Office Workers' proposals—*which envisage separate trade* groups for posts and telecommunications—are in line with renewed TUC attempts to rationalise the country's union structure, there would appear to be virtually no chance of it succeeding. It has been a cherished desire of the Post Office's biggest union for some time.

There is also considerable scepticism about the prospect of a British Telecoms union federation. Some union officials said yesterday that the joint union talks might eventually result in nothing more than a very slender form of machinery to cope with inter-union consultation.

Talks on structure, which for the Union of Post Office Workers will be the main issue at a special conference at the end of the year, are currently running parallel with more traditional merger discussions between individual Post Office unions.

In themselves, these might produce a simpler arrangement of staff representation which the Post Office and most union officials believe is necessary to improve industrial relations.

Coal Bill timetable 'too severe'

By Our Labour Staff

AN ELEVENTH-hour dispensation from some proposals in the Coal Industry Bill, now going through Parliament, was sought yesterday by the National Union of Mineworkers.

Nothing concrete appears to have come out of the meeting with Mr. David Howell, Energy Secretary, apart from the usual Government assurances that coal has a bright future.

The miners' main complaint is that the Bill sets a severe timetable for making the National Coal Board financially self-sufficient.

Mr. Joe Gormley, miners' union president, said the union was suspicious that the Coal Board would be looking for further pit closures in order to meet the Bill's target. He said he did not believe the rate of closures would accelerate.

Uneasy peace at BL plant

AN UNEASY peace at Pressed Steel Fisher's car body plant at Cowley has enabled BL to recall 2,000 workers laid off from the Rover plant at Solihull.

There was no sign of a settlement at Longbridge, Birmingham, where a strike over staggered teabreaks has made 3,600 workers idle.

£14m for youth aid

THE ADVISORY committee of the European Social Fund yesterday approved an application from the Manpower Services Commission for an additional £14m to its Youth Opportunities Programme for 1980 in the light of rapidly-rising unemployment among young people.

Claim dropped

PRIVATE STEEL firm Hadfields is dropping its £0.5m damages claim against police over a picket during the steel strike. The Sheffield firm hoped the action against the police would make it counter-sue the miners' *union and the Iron and Steel* Trades Confederation—whom it blamed for losses caused by the picketing. However, Hadfields has been advised that this could not be done.

Print unions set to clash over facsimile

BY JOHN LLOYD

THE National Graphical Association yesterday launched itself on a possible collision course with the general print union, the Society of Graphical and Allied Trades, just one day after acclaiming moves to create one print union.

The NGA delegate conference in Blackpool voted for a motion advising co-operation with Express Newspapers' plans for facsimile transmission of the Daily Express and Daily Star to the Northpress printing company in Inverness.

SOGAT, which organises most compositors in Scotland, has blacked the plan as part of its *opposition to facsimile.*

The NGA has seven members in Northpress which is now threatened with closure because SOGAT has blacked its commercial work as well.

Mr. Tom Kemp, Aberdeen NGA branch secretary told the conference that about 40 jobs would be created if Express Newspapers plans went ahead to print 50,000 copies of the Daily Express and 25,000 copies of the Daily Star.

Express Newspapers presently flies papers to Inverness at a cost of £700 a night. Facsimile transmission is estimated to cost around £1,000 a night.

Mr. George Jerrom, a senior NGA official, has warned that accepting facsimile transmission immediately would invite retaliation against the NGA by SOGAT.

● The general secretaries of five print unions have been called for a meeting at The Observer on Monday night, the day before the deadline set by *Atlantic Richfield*, the paper's owner, for agreement on computerised equipment.

Air traffic controllers make pay parity claim

BY NICK GARNETT, LABOUR STAFF

A PAY parity claim involving rises of up to 40 per cent has been submitted on behalf of air traffic controllers at municipal airports.

The claim, prepared by the National and Local Government Officers' Association — the principal union among the 130 controllers—is separate from the main national wage negotiations for the group.

The controllers concerned work at 13 provincial airports, including Luton, East Midlands, Newcastle and Leeds-Bradford.

They are seeking parity with the much larger group of air traffic controllers employed at Civil Aviation Authority airports, such as Manchester and Prestwick.

Mr. Alan Jinkinson, national staff side secretary for local authority white collar staff, said yesterday the union had gone some way to removing the pay differential between the two groups five years ago, but since then the differential had been widened.

Basic salaries of non-senior air traffic controllers at municipal airports on January 1 ranged from £5,784 to £7,884. The union says the comparable salary at a CAA airport, that of air traffic control officer 2, was between £6,208 and £11,089 on that date.

BASE LENDING RATES

A.B.N. Bank	17 %	■ Hambros Bank	17 %
Allied Irish Bank	17 %	■ Hill Samuel	§17 %
American Express Bk.	17 %	C. Hoare & Co.	†17 %
Amro Bank	17 %	Hongkong & Shanghai	17 %
Henry Ansbacher	17 %	Industrial Bk. of Scot.	17½ %
A P Bank Ltd.	17 %	Keyser Ullmann	17 %
■ Arbuthnot Latham	17 %	Knowsley & Co. Ltd.	19 %
Associates Cap. Corp.	17 %	Langris Trust Ltd.	17 %
Banco de Bilbao	17 %	Lloyds Bank	17 %
Bank of Credit & Cmce.	17 %	Edward Manson & Co.	18 %
Bank of Cyprus	17 %	Midland Bank	17 %
Bank of N.S.W.	17 %	■ Samuel Montagu	17 %
Banque Belge Ltd.	17 %	■ Morgan Grenfell	17 %
Banque du Rhone et de la Tamise S.A.	17½ %	National Westminster	17 %
Barclays Bank	17 %	Norwich General Trust	17 %
Bremar Holdings Ltd.	18 %	P. S. Refson & Co.	17 %
Brit. Bank of Mid. East	17 %	Rossminster	17 %
■ Brown Shipley	17 %	Ryl. Bk. Canada (Ldn.)	17 %
Canada Perm't Trust	18 %	Schlesinger Limited	17 %
Cayzer Ltd.	17 %	E. S. Schwab	17 %
Cedar Holdings	17 %	Security Trust Co. Ltd.	18 %
■ Charterhouse Japhet	17 %	Standard Chartered	17 %
Choulartons	17 %	Trade Dev. Bank	17 %
C. E. Coates	17 %	Trustee Savings Bank	17 %
Consolidated Credits	17 %	Twentieth Century Bk.	17 %
Co-operative Bank	*17 %	United Bank of Kuwait	17 %
Corinthian Secs.	17 %	Whiteaway Laidlaw	17½ %
The Cyprus Popular Bk.	17 %	Williams & Glyn's	17 %
Duncan Lawrie	17 %	Wintrust Secs. Ltd.	17 %
Eagil Trust	17 %	Yorkshire Bank	17 %
E. T. Trust Limited	17 %		
First Nat. Fin. Corp.	19½ %		
First Nat. Secs. Ltd.	19 %		
Robert Fraser	17 %		
Antony Gibbs	17 %		
Greyhound Guaranty	17 %		
Grindlays Bank	‡17 %		
■ Guinness Mahon	17 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 15%. 1-month deposits 15¼%.
† 7-day deposits on sums of £10,000 and under 15%, up to £25,000 15¼% and over £25,000 15½%.
‡ Call deposits over £1,000 15%.
§ Demand deposits 15%.

THE WEEK IN THE MARKETS

The rally loses power

LONDON

ONLOOKER

The stock market seemed to lose its punch this week, with both equities and gilt-edged securities failing to make further progress after the gains of recent weeks. There is still a lot of business being done in ordinary shares—turnover has been well over £100m on most days—and there has been some speculative excitement too.

British Petroleum's discovery of a potentially commercial oil field close to its big Ninian discovery sent the North Sea favourites flying ahead, and Vickers surprised just about everyone with its plans to merge with Rolls-Royce Motors.

But the rally in some of the bombed-out manufacturing stocks has run out of steam. Maybe the City was overdoing the gloom a few weeks ago, but all the industrial news headlines—about British Steel, and the like—emphasise the fact that the recovery in industrial profits and dividends is still a long way off.

Plessey's proof

After years of disappointment, Plessey seems to have rediscovered how to make profits grow. Suddenly, all the important ratios are looking very much healthier.

Cash flow in the year to March 31 grew from £33.3m to £40.1m, providing a sound base from which to lift capital spending this year from £35m to £42m. Margins widened from 6.9 to 8.8 per cent, stock turn has been hoisted from 3.15 to 3.39 times, gearing has fallen from 30.5 to 25.1 per cent, and the return on funds employed was a fairly respectable 23 per cent.

The upturn was most marked in the final quarter when profits soared from £13.8m to £24.66m, far better than expected. The upshot is a 30 per cent annual gain to £60.1m pre-tax. Plessey looks capable of adding some 15 per cent to this total in the current year and the order book, smoothing out of the effects of plant closures and currency changes, is showing underlying growth of 37 per cent.

Much of the improvement can be traced to the telecommunications division. The launch 18 months ago of the Plessey PDX, the first Private Automatic Exchange in this country, has done wonders for the group's penetration in this market which has recovered in the past two years from 20 to 40 per cent.

The elimination of loss-making Strowger contracts which were completed around the turn of the calendar year and substantial rationalisation at the large Liverpool factory probably exaggerate the turn in the group's fortunes in the January-March period. Overall, though, Plessey maintains that its heavy proportion of sales to government agencies around the world (as opposed to private customers) offers a healthy measure of protection against recessionary forces.

Hopes had been deferred for so long that the stock market retains a wide streak of scepticism about Plessey but the mood may be changing. The shares jumped 18p on the results and, at just under 180p at the end of the week, the historic p/e is comfortably into double figures.

Wilkinson Match

These are traumatic times for shareholders in Wilkinson Match. After seeing profits slide by more than a quarter over the past 12 months to £14m before tax, they are being politely requested to be patient for just a little longer.

In three product areas—razors, pens and lighters—Wilkinson is battling against two tough competitors. One of these, Gillette of the U.S., is a traditional opponent, seemingly as disconcerted as Wilkinson itself at the activities of the latest upstart entrant to these markets, Bic of France.

While matches and lighters continued to generate large, if declining, profits, over the past year, the personal products side—mainly razors and sunglasses—moved even deeper into the red.

Writing instruments, as the industry likes to term the array of pens felt-tip-pens and combined pens and erasers now offered to the consumer, turned in a tiny profit, and Wilkinson is hopeful that its involvement through Scripto of the U.S. will pay higher dividends in the future.

On the safety and protection side, where profits did little more than mark time, the group intends to concentrate a good deal of its management and financial effort in future. For Wilkinson, embarrassed by the well-publicised boardroom wrangle last autumn, appears convinced that consumer products are not the only key to its future.

Because it is changing its year-end, Wilkinson's current trading period is 18 months' long. No improvement is seen during the final leg, but shareholders were promised in this week's profits statement that "increasing benefits" should accrue from recent action.

The company has beefed up its management since Mr. Denys Randolph left the chair last September. At the time, he argued that Wilkinson's financial position was getting worse, a statement borne out by the recent figures. If the cost-cutting and product development exercises bear fruit, Wilkinson shareholders, including America's Allegheny Ludlum with 44 per cent, might have more cause for joy in the early 1980s.

Hotel hold-up

The number of overseas visitors to Britain peaked in 1977 but with aggressive marketing, Trusthouse Forte managed to sustain its remarkable six-year profit surge for two more years. At some point, however, even THF could not squeeze more profit out of fewer tourists and that point came last winter. With occupancy rates in THF's London hotels down 6 per cent, interim group profits were almost unchanged at £19.3m. The company believes that tourism will be a little better this summer, because the Germans, Scandinavians and Japanese are not frightened by the high value of sterling.

However, competition has been tough on the advance group booking side and Americans are still staying at home.

In the U.S., TraveLodge has done well but Colony Foods will not contribute much until it finds locations for its restaurants that do not oblige the petrol-sensitive customer to drive so far. TraveLodge profits, up 7 per cent in the first six months under UK accounting conventions, were 3 per cent down when translated into sterling.

THF backed away from buying the catering interests of Squibb earlier this year when its approximately $80m bid was topped by more than $20m but the group is still looking for U.S. acquisitions and has a strong £60m cash position from which to deal.

Some day, the group's U.S. position may be such that it can make up for any decline of Americans visiting Britain by lodging and feeding the British visiting America. But for the moment, its profits growth is in check and estimates for the full year vary from £72m to £75m, only 5 to 10 per cent up on last year.

Lock out

Chubb's results for the year to the end of March—pre-tax profits slumped from £15.3m to £7.2m—are a sad commentary on the company's failure to break into the electronic cash register market. Adding back losses from this activity, however, operating profits from the rest of the business were still a fifth lower, due mostly to setbacks in the fire security and cash dispenser operations.

The big headache is cash registers where Chubb's ambitious plans to develop a secure electronic product after its acquisition of Gross Cash at the beginning of 1977 have fallen flat on their face.

In the event, Chubb has been slow to develop its own product. Unable to get adequate supplies of the 64K Chip, the company redesigned its new machine to suit a new type of microprocessor but by doing so missed the market in the first half of last year. Foreign competitors, notably the Japanese, took full advantage of the delay and as a result Chubb's market share has fallen from well over 22 per cent at the time of the Gross Cash takeover to between 5 and 10 per cent.

The company has now taken steps to stem the cash outflow—though the effect on the balance sheet is already damaging. More importantly for shareholders, whose dividend has been paid from reserves, the promise of what was once Chubb's most exciting growth area, has now virtually disappeared.

There are still plenty of strengths elsewhere — burglar and fire alarms, cash dispensers (in spite of the tough competition recently), safes and locks, and above all the company's name.

The point may not be lost on competitors. Indeed strong buying was rumoured in the stock market from one source yesterday, when Chubb's share price put on another 3p to 100p.

Renold prunes

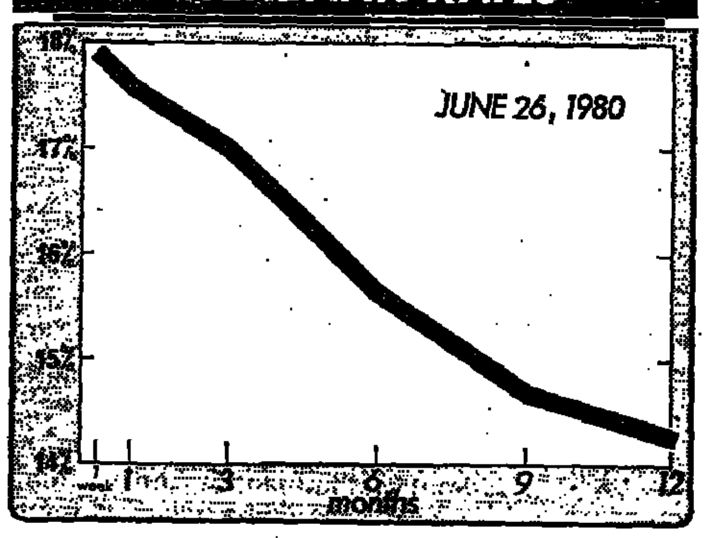
Most brokers would say that a dividend is threatened when the yield reaches about 13-14 per cent. Renold had been offering a yield of around 23 per cent for much of the current year until its results were published on Thursday.

The power transmission group has indeed taken the knife to the distribution but has not pared quite so deeply as analysts had feared. The 28 per cent cut to 8p net per share still provides a yield of over 17 per cent and the market clearly retains its doubts. Profits slumped from £10.2m to £6.22m, and although this contains a welcome degree of recovery after the engineering strike, the group is not making sufficient profits in the UK to cover the Advance Corporation Tax liability.

Despite the closure of the Coventry works, at a below the line cost of £4.8m, the balance sheet is not under unbearable strain. Gearing is still below 50 per cent and working capital is under control. Yet the historic return on capital employed is negligible and inflation is draining funds out of the business.

Renold, however, is battling on. Executive functions are being decentralised, the Wythenshawe headquarters are available for a sale and leaseback and the group is looking to extend its operational base. It is even considering suitable acquisitions.

INTERBANK RATES



MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1980 High	1980 Low	
F.T. Ind. Ord. Index	463.5	− 8.3	478.8	406.9	Market consolidating
F.T. Gov. Secs. Index	69.33	− 1.20	70.53	63.85	Technical reaction
F.T. Gold Mines Index	349.7	+23.6	377.9	265.5	Strength of bullion price
Austin (E.) (London)	150	+30	150	120	Results/3-for-1 scrip issue
BAT Inds.	253	−23	276	223	Imperial Gp. sells 4.1m shares
BSR	22	− 7	42	22	Further redundancies
Berkeley Exploration	256	+44	256	83	Reports of gas find
Flexello Castors	48	−14	62	48	Slump in half-year profits
Johnson Matthey	367	+37	367	205	Press mention
LASMO	792	+80	792	337	Partner in BP oil find
Lucas Inds.	197	−13	264	185	Gloomy outlook for motor ind.
Milford Docks	173	+35	187	113	Assets revaluation
Muirhead	116	−20	270	113	Poor half-year results
Plessey	181	+21	181	108	Results well above estimates
Powell Duffryn	206	+24	206	142	Good annual results
Rolls-Royce	72	+20	72	47	Merger terms from Vickers
Strata Oil	84	+46	123	10	Promising gas find
Thorn EMI	286	−14	328	260	Possible block on scanner dea
Valiant Cons.	108	+48	110	50	Encouraging drilling results
Wolf Tools	106	+44	106	60	Bid from Dobson Park Inds.

Hopes pinned on tax cut Bill

NEW YORK

DAVID LASCELLES

FIRST the good news. Shares managed to shake off the gloom caused by the slump at the end of last week and put on a sudden and quite unexpected spurt which brought the Dow to a further-month high.

Now the bad news. For the third time in as manyy ears, the Dow failed to hold the 900 level. On Thursday afternoon, it was over 890. But then the sell orders poured in and the average lost nearly ten points in an hour.

This is depressing for Wall Street because it suggests the market is still locked into a bracket covering the 750-900 range, and nothing, not even soaring oil profits, has been able to break it out.

At lot of the strength this week was technical. Institutions who have to report their portfolios at mid-year were depressing them up with blue chips stocks, and this artificially fuelled the average. Even on Wednesday night, when the market had had one of its best days for a long time, a lot of people on Wall Street were nervous because the rally seemed to lack substance.

But the fundamentals were not too bad either. The prime rate came down from 12 per cent to 11½ per cent, a small drop by recent standards, but at least the trend is still downwards, and that is what counts for corporate profits. The prime could still shed a point this summer without too much trouble.

News from the inflation front was also better. The May consumer price index went up 0.9 per cent, the same as the month before, but well below the 1.5 per cent registered earlier this year.

Momentum for a tax cut also seemed to be building up in Washington. President Carter is clearly moving in that direction. So is Congress. The Republicans started it with pressure for tax-cut legislation later this year. But then the Democrats, not to be outdone, jumped on the bandwagon with a resolution calling for a tax-cut bill by September 3.

Mr. William Gillard, director of research at Kidder Peabody, believes these tax moves bode well for the market. In his investment policy comment this week he advises investors to reduce their cash positions from 20 per cent to 10 per cent (his norm is 15 per cent), even though he admits that short-term considerations might cause some people to have qualms about this. These are mainly the fears of a snap-back in interest rates, uncertainties about the business cycle, dangers that the market is overbought, and the possibility that a tax cut could ignite a new inflationary spiral.

But against this, Mr. Gillard argues that Mr. Carter's proposals will be less of a quick fix than a long-term strategy to revitalise the economy and boost investment.

Anyone looking for proof that the economic environment has become more bullish could cite the bond market, which hates talk of reflation. Prices weakened noticeably there this week, and interest rates started edging up again nervously, though this was also partly due to the huge volume of financing that the credit markets have had to cope with since May.

The most active shares this week included many oil stocks—as usual. The focus of interest was a report by Mobil on tests at its wells off the Canadian Atlantic coast, but the market clearly did not know what to make of them (they were highly technical) and after jumping up and down for a while, shares in the participating companies were virtually unchanged.

However, the market still expects some big news from the Hibernia find (as it is called) within the next two or three weeks.

On the takeover front, Englehard Minerals and Chemicals, bulging with profits from the recent commodity and oil price boom, made a $280m offer for a Milwaukee insurance concern, NN Corp., with that company's approval.

Engelhard owes some of its earnings to the misfortunes of the Hunt brothers who were obliged to buy themselves out of a silver contract at terms which greatly favoured Engelhard.

Mr. Lyman Hamilton, former president of ITT who is now in business on his own behalf, launched a renewed bid through his Tamco company for City Investing, a diversified financial conglomerate. Sweetening his earlier offer of $30 a share to $32.50, he fulfilled the market's expectations. But the response could be slow coming. City is apparently not due to review the offer for some time.

If he pulls it off, Mr. Hamilton will be in for a deal worth around $1.2bn. Quite how he proposes to finance this is not entirely clear. He has the backing of a real estate magnate. But he will also have to go to the banks for a fair slice of the price.

Monday	873.81	+ 4.10
Tuesday	877.30	+ 3.49
Wednesday	887.54	+10.24
Thursday	883.45	− 4.09

Gold: not all plain sailing

MINING

GEORGE MILLING-STANLEY

GOLD 1980, the annual report on the gold market published this week by Consolidated Gold Fields, has been interpreted as decidedly bullish on the future price trend of the metal, and with good reason. The report suggests that supplies of gold to the non-Communist world could drop sharply this year from the 1979 level of 1,765 tonnes.

Mr. David Potts, chief gold analyst with Gold Fields and author of the report, thinks supplies could be as low as 1,100 tonnes this year.

This is largely because of the cessation last month of the International Monetary Fund's four-year programme of auctions; and the fact that the U.S. Treasury is thought to be unlikely to resume sales this year.

Another factor affecting the likely level of supplies is the Soviet Union. Russian gold sales are widely held to be purely for the purpose of obtaining foreign exchange, so that physical deliveries of gold from that source rise and fall in inverse relation to the bullion price, which suggests a reduction in sales this year.

Added to that, Russian sales in recent years have exceeded estimated production, thus reducing stocks, and Mr. Potts is of the opinion that stocks may well have fallen to what the authorities consider minimum acceptable levels.

Nevertheless, despite these indicators of reduced supplies and therefore potentially higher prices, Mr. Potts was not to be drawn into any firm predictions on future price trends.

He pointed out that, at a very rough estimate, something like 100,000 tonnes of gold have been mined since anyone first thought the metal worth digging up. Of that amount, only the 30,000 tonnes estimated to be contained in official reserves can be accounted for with any certainty.

Obviously, there can be nothing like the difference between these two figures, 70,000 tonnes, in private hands at the present day. But Mr. Potts feels confident that, although it is impossible to quantify the amount realistically, there is enough gold in private hands to have a significant impact on the market.

In a market based so much on sentiment, on people's perceptions of future inflation rates, levels of economic activity and political risk, for example, this gold could be a major unsettling factor.

No-one can be certain of the sort of price gold would have to reach before sales of these holdings would reach a significant level. His estimate that the $850 mark would cause a sizeable shakeout cannot be contested.

The amount of such sales is a matter for pure speculation, but Mr. Potts is of the opinion that they could be enough to delay what he regards as the inevitable march of the bullion beyond the $1,000 per ounce level for perhaps as much as four years.

Certainly sales from these sort of gold stocks have had a significant dampening effect on the price in the past. As the report says: "During September 1979 when the gold price passed $400, there was a considerable amount of selling of kilo bars in Switzerland and Japan by disappointed investors who came into the market for the first time in 1974, when gold was rising towards $200. These investors had to suffer the double blow of gold falling to $103 and also the appreciation of their currencies against the dollar."

A similar thing happened when gold passed the $600 mark on its way to the historic high of $850 at the afternoon fix on January 21 this year

The major difference between these two waves of dishoarding was that in some places the amount of jewellery involved increased from about 40 per cent of the total to 60 per cent, while the share of gold bars declined in inverse proportion.

This rise in sales of jewellery back to the trade can only have the effect of delaying even further the trade's long-awaited move back into the gold market in a significant way, as jewellery manufacturers will naturally prefer to use up their supplies of "old" or "recycled" gold before embarking on new purchases at new, higher, prices.

The report reveals a fall in purchases of new gold by the carat jewellery trade in 1979 to 737 tonnes from the 1978 level of 1,007 tonnes, which was itself well below the level pertaining at the beginning of the decade (see table). And Mr. Potts commented privately that he foresees a further fall, perhaps to about the 400 tonnes level, in 1980.

This week's speech by the president of the Chamber of Mines of South Africa showed the concern that the gold mining industry feels at these developments. Mr. Dennis Etheredge, current president of the Chamber, said that every effort should be made to ensure that new price levels do not lead to a further drop in consumption from the important jewellery trade. He also gave some details of practical steps that the Chamber is taking towards this end.

Intergold, the Chamber's gold promotion and marketing arm, proposes to set up a commercial advisory service to counsel manufacturers on the various credit, leasing and hedging facilities available to them. A recent survey by Intergold showed that few manufacturers were aware of the existence of these facilities.

In an effort to make the holding of gold more widespread, and now that the price of the one-ounce Krugerrand coin is beyond the reach of many people, the Chamber and the South African Government have agreed to issue three new coins. These will contain respectively one-half, one-quarter and one-tenth of an ounce of gold, and Mr. Etheredge said that they wer expected to be available towards the end of this year.

Beyond that, the Chamber is to launch a gold information campaign in Europe similar to that carried out recently in the U.S.

● Another main point of interest this week was the announcement of full-year results from Charter Consolidated, although the scope of last year's reorganisation makes the figures difficult to interpret with any confidence. On balance, it looks as though Charter did better than it would have done had the reorganisation not gone through, with attributable profits of £28m against £23m last time.

The main factor affecting Charter's immediate future is whether the BP bid for Selection Trust goes through. If it does, Charter's 25.8 per cent stake in Selection Trust can be expected to fetch a good £100m.

It is unlikely that we should see any radical change of direction by the Charter management, and the proceeds of any sale would probably be used to further existing interests, which lie in the UK and Europe (just over 50 per cent), North America (20 per cent) and Australasia and the Far East (18 per cent).

● This week saw the introduction to the market of SPO Minerals, which aims to become the UK's leading producer of barytes, an industrial mud used in oil and gas drilling. The company also intends to become a major UK source of lead concentrates, and will in addition be a supplier of fluorspar and sands. There is even a chance that silver may be recoverable from SPO deposits in saleable quantities.

The intriguing thing about all this is that SPO will not be engaged in mining activity at all, as its raw materials are all available in waste dumps and old surface workings scattered over the 80 square miles of the South Pennine Orefield in Derbyshire.

GOLD USE OUTSIDE THE SOVIET BLOC

(Tonnes)

	1974	1975	1976	1977	1978	1979
Carat jewellery	225	523	935	1,003	1,007	737
Electronics	92	67	76	77	86	94
Dentistry	57	62	77	82	89	87
Other industrial decorative uses	67	59	64	65	76	74
Medals, medallions and fake coins	7	21	47	47	50	33
Official coins	287	251	185	146	288	290
TOTAL	735	983	1,384	1,420	1,596	1,315
Total supply	1,247	1,112	1,439	1,642	1,752	1,765
Average price (per troy oz.)	$159.1	$161.1	$124.8	$147.7	$193.3	$305.0

Source: Gold 1980

The trend is up down under

ONE bull market a year is enough for most stock exchanges. Yet, before 1980 is even half over, Australia is well into its second bout of share price fever. The first dated roughly from the Soviet invasion of Afghanistan late last year and boiled through until mid-February, when the Sydney All-Share Index collapsed by more than 100 points to under 800.

Now the market is again nudging the 900 level, spurred by heavy foreign interest in resource stocks. This week is the last of the Australian financial year and is normally a sedate period of book-squaring. Over the five days, however, trading volume in Sydney and Melbourne has exceeded A$200m, roughly 40 per cent above the previous week's level and probably the highest for this period since 1968.

Some of the speculative stocks have seen violent price action. Strata Oil, which was listed only three months ago, has climbed from 12c to $1.70 in June alone. The price rise was based on the announcement of an on-shore gas find which, it claims, will yield 12½m cubic feet per day.

The news was certainly exciting, but in some cases resource stocks are discounting earnings many years away. Investors with painful memories of the 1969-1970 Poseidon crisis will remember the dangers of allowing projected earnings to run away with the share price.

Speculative resource stocks are experiencing the same U.S.-based euphoria that has periodically infected the Canadian market. Retail salesmen, marketing second-line companies on a commission basis, are pushing exploration ventures with neither a record nor, in some cases, much in the way of assets.

The speculative punting in the market is, however, underpinned by some more realistic appraisal of Australia's growth prospects. The Australian dollar, for example, looks undervalued on a medium-term view. Private capital inflows totalled $606m last month, compared with $236m in May of last year. With exports of minerals and metals expected to build up over the next few years, the dollar appears to offer a safe home for foreign funds.

Compounding the favourable foreign exchange position is a yield on local authority bonds of between 12.2 and 12.6 per cent—one of the highest real returns in the industrialised world. Inflation is running at under 11 per cent.

Yet inspite of a reverse yield gap of around 6 per cent, most of the foreign funds are flooding into equities. UK institutions are reported to be heavy buyers of leading resource companies, such as CSR and BHP.

Australian companies will be reporting their annual figures in a few weeks time and, against a background of sharply rising oil and metal prices, institutions are clearly hoping to cash in on some impressive earnings.

More important, however, they see Australia as a politically stable area offering a very high potential return over the long term. Several Australian brokers insist that, by contrast with the speculative fever of 10 years ago, institutions are looking for companies with proven findings that will offer a hedge against inflation years from now.

This trend, they say, is masked by the eye-catching activity in exploration companies which may not live to pay a dividend.

There are technical reasons why the market could maintain its current strength. Domestic liquidity is poor at present, largely because of seasonal tax payments and heavy public sector borrowing ahead of the year-end, but it should pick up later in the year.

Nonetheless, when a broker recommends a company on the basis of 1985 earnings—as has happened thi sweek—it may be time to think again.

John Makinson

FINANCE AND THE FAMILY

Search forms and questions

BY OUR LEGAL STAFF

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

I am about to buy a house. Is it necessary to instruct my solicitor to ask the local and county authorities supplementary questions, i.e., in addition to those on the search forms, or could one assume that a solicitor is negligent if he does not do so on his own initiative? I am particularly concerned about some vague rumours of road schemes.

You do not need to give specific instructions in relation to matters which are of concern to any house purchaser; but if you have any particular concern which might not be of general application, you should instruct your solicitor about it. Although probably not necessary, we think it would be prudent for you to explain to your solicitor that you are concerned about road scemes and would wish to know if any scheme is under discussion, even if not matured. After all what you want is to have the right questions asked, not to have a lawsuit with your solicitor.

A second charge on land

I am purchasing some unregistered land from a bank which is a mortgagee in possession. There is a second charge on the land registered at Land Carge Registry. What is the earliest time that I can successfully insist on the second charge being removed from the Register on the fact that the first mortgage over-reaches the second mortgage? Over the conveyance by the bank to me, have I to mention the question of the conveyance over-reaching the second charge?

Unless the second charge is redeemed, the earliest you can require the registration to be cancellad is on completion of the sale, that is, immediately after the conveyance to you. The conveyance does not have to mention the over-reaching effect of the sale, but it should recite that the vendor is selling in exercise of its rights as first legal mortgagee.

Boundary fence site

The lease of my ground in South Glamorgan was granted in 1956 to the original builder of the house I now occupy.

Subsequently, the original ground landlord sold his interest to the present one who also owns the adjacent land. It is from this second landlord that I purchased the freehold in 1976. Requiring to replace a boundary fence, I now discover that the ground areas shown on the lease and freehold documents do not coincide. Although these documents are not fully dimensioned, the freehold contract of 1976 shows a longer area by some 20 feet at one end of the garden. How, please, should I proceed?

You are entitled to erect your fence along the boundary shown on the plan annexed to the conveyance to you of the freehold Your solicitor should have been satisfied at the time of that conveyance that your vendor had title to all the land conveyed. If he had such title he has conveyed it to you even if it extends beyond the bounds of that which was leased to you. As the property is in an area of compulsory registration your title should be registered with the full extent as conveyed.

Deductions and surcharge

If in the year 1978/79, when the starting point for investment income surcharge was £1,700, a taxpayer's interest (grossed up) from Building Society Investments exceeded this figure, was it permissible and to the taxpayer's advantage to offset mortgage interest payments and other allowances acquired his Building Society income, in order to reduce or eliminate liability for investment leave surcharge?

I have seen certain literature which suggests that expenses should not be offset against building society interest. If this is the case, am I right in concluding that in these circumstances it is in the taxpayer's interst to limit building society interest (gross) received to the threshold of investment income surcharge and ensure that any further investment income is taxable in the normal manner and can be used for offsetting mortgage interest payments?

An example of what I have in mind is: earned income £8,000. Income from Building Societies (grossed). £2,000. Mortgage interest paid £2,000. (Surcharge threshold £1,700). Is the surcharge payable on £300?

In fact, the taxpayer does not have to choose how to allocate his deductions: they are automatically offset in the most beneficial manner. Section 34(2) of the Finance Act 1971 says:

"Subject to any express provisions of the Income Tax Acts, any deductions allowable in computing a person's total income or to be made from a person's total income shall be treated as reducing income of different descriptions in the order which will result in the greatest reduction of his liability to income tax."

In your example for 1978-79 (of a taxpayer born after April 5, 1914, with earnings of £8,000 and building society interest of £1,340; paying £2,000 mortgage interest), there would indeed be an investment income surcharge liability of £30. If the £1,340 investment income had comprised building society interest of £1,139 and UK dividends of £201, there would have been no surcharge liability. Similarly, if the taxpayer had received £1,139 building society interest and £300 interest on a new bank deposit account, there would have been no surcharge liability.

Now that the limit for investment income surcharge has risen dramatically from £1,700 to £5,000, it is far less likely that building society investors will be caught in this particular trap (but there are other tax traps for those who put their money in building societies, as has been mentioned in our columns from time to time).

Mandating of dividends

With reference to our reply under "Mandating of dividends" (June 14), we should point out that while there is no legal obstacle to assigning the income from a designated shareholding to another person, this could have unfortunate tax consequences for one party or the other and should only be done on expert advice.

Rights to a company pension

The company I worked for, part of a conglomerate, has recently sold this company to another conglomerate, so in actual fact I have not changed my employer.

However, I have been ejected from the pension fund of the first company, which is contributory, and offered an immediate membership of a non-contributory scheme of the new owners. All I have been offered from the old fund is a guaranteed pension purchased with "not less than my own contributions." The new owners on their part, whilst they have offered immediate membership of their scheme, have not offered any added years. As I am 55, I will certainly lose out a great deal if this is carried through, especially if I retire early. What rights, if any, do I have?

From what you say it would appear that on the sale of the company for which you work by its parent, you and all other employees would cease to be eligible for membership of the parent company's pension scheme because your immediate employer ceased to be part of the group of companies entitled to participate in the parent company's pension scheme.

In such circumstances you should be entitled to the benefits normally available to any employee on leaving service. The actual amount of pension would normally be calculated according to the formula applicable to your previous parent company's scheme. For example, if you had done ten years pensionable service in a scheme giving 1/80th final salary per year of service, then this would mean that you would get 10/80ths of your pensionable salary on the date you ceased to be a member of the old scheme.

The reference to the pension under the old scheme being guaranteed as "not less than your own contributions" is a fairly standard one. Contributions to a pension scheme by an employer represent a totality of individual costs ranging from very expensive older employees to young employees whose own contributions may be sufficient to provide for their pension accrual in the early years—but not in the long-term. This guarantee simply means that if a young employee left and his own contributions would buy more than the appropriate number of 80ths or 60ths then he will get the benefit of whatever his contributions will buy. As you are 55, this guarantee is likely to be inappropriate to your own situation—it is much more probable that you will derive benefit from a substantial amount of employer's contributions. A new parent company cannot be expected to pick up the tab for past service liabilities. He is offering you what sounds like a better pension scheme for your future years service. He may have bought your employer's business as part of a rescue operation and feels he has done enough already by providing you with a job. Such a change is hard luck on employees because your paid-up pension plus your new pension will not give you the level of retirement income that you would have enjoyed had you remained with one company. N/80ths of your salary at 55 may with current rates of inflation only be worth half or a quarter of n/80ths of your salary at 65.

The only industry that has found a solution to this problem is the retail motor trade where those employers who participate in the MAA National Motor Industry Pension Plan operate an inter-transfer system so that employees can move from company to company and take their years service with them. But even so, there are still quite a number of employers in the motor trade who have not yet joined this plan.

A promissory note

I m being sued on a promissory note which I signed. It was for an outstanding amount to enable my husband and me to obtain the keys of a furnished house. The lease being in the sole name of my husband. My husband claims that he has overpaid the ex-landlord by the equivalent amount of the promissory note. Is this a valid defence for me, or does my husband have to sue in his own right for overpayment?

The overpayment by your husband is not a defence available to you on the promissory note: your husband must claim repayment of the sum overpaid. *He should do this* by proceedings in the same court, and apply for the two actions to be heard together.

The battle over a lost suitcase

INSURANCE

JOHN PHILIP

ITEMS OF luggage are seldom if ever weighed separately at airports—practice is to load all the individual's luggage on the machine or even to put all the family's together, and check that in aggregate it is within the baggage allowance.

Pressure at check-in desks scarcely allows any other course and no doubt the traveller with several items would get short shrift if he tried to get each weighed separately. Yet this is what he perhaps should do, in the light of the evidence and legal argument in **Bland v British Airways Board** in which the Court of Appeal gave judgment on June 20.

The dispute concerned a lost suitcase and its contents—or rather the value of that suitcase and its contents, for there was never any argument that it had been well and truly lost.

Mrs. Bland had set out from America with *six pieces of luggage*, weighing 75 kgs.—but at Heathrow one was missing. Mrs. Bland's insurers accepted her claim for £304.95 and then sought to recover this sum from the airline.

The airline relied on article 22(2)(b) of Schedule 1 to the Carriage by Air Act 1961, to limit their liability; by this rule compensation is related to weight of the package concerned.

The airline made up a package as near as possible to Mrs. Bland's description, weighed it, found it was 13½ kg, and therefore offered her insurers £145. Mrs. Bland, incidentally, admitted that the reconstituted package was probably heavier than the case she had lost.

Surprisingly, in the face of the evidence, the County Court judge held the airline liable to pay insurers in full—not so surprisingly the Court of Appeal decided that £145 was enough.

In the course of argument, counsel for the airline said it was common practice, if a passenger could not help on weight, to take the total weight of that passenger's luggage, and if say one item had been lost out of six, to take one-sixth of the total weight as being the weight of the lost item.

Rough justice perhaps, but in the course of his judgment the Master of the Rolls gave this method his judicial approval.

Limitations of compensation by weight applies between passenger and airline, or between passenger's insurers and airline once insurers have met his claim.

But between passenger-policyholder and insurers under a baggage policy or a travel insurance including baggage cover, there is no question of value limitation by weight. In theory the passenger can insure his baggage for its full value—though in practice, particularly under package policies, the passenger will find insurers impose financial limits.

Most holiday travel insurances now provide around £500 worth of cover per traveller, usually with a limit of £75 or £100 any one article, though there may also be a limit of £100 set as the maximum payable for jewellery, cameras or other valuables. Nowadays also many insurers provide combined baggage and money cover in their travel policies, and where this is done, usually up to £100 of money cover is afforded within the total financial limit.

This means that the traveller who starts out with £100 of money and/or travel cheques *straightway has his £500* baggage cover reduced to £400.

Because package holiday insurances are sold for fixed premiums the traveller cannot have such limits changed—for extra premium—he must buy separate extra cover for his excess value items—indeed, if excess value is a real problem, he probably does better to avoid the package insurance entirely.

When it comes to making a baggage claim for a transit loss, the policyholder has to prove his claim to his insurers in much the same way as he has to prove a claim under a household or all risks policy—he must indicate the circumstances of the loss and substantiate as best he can the value of the missing property.

Beyond this he has an extra duty, imposed by policy conditions—as soon as he knows of the loss he must give immediate notification to the airline or carrier, so as to preserve his insurers' subrogation rights once they have met his claim.

Where property is lost or damaged, not in transit, but at the traveller's temporary residence abroad, other policy conditions may be applicable: for example, some insurers require notification of loss to the local police—but not because they reckon that such notification brings about the recovery of lost property; rather the theory is that this requirement deters the potential fraudulent claimant.

YOUR SAVINGS AND INVESTMENTS

Richard Lambert looks at the Wilson report and what it means to savers

A spur for change in running the City

IT IS 615 pages long, and not exactly a snappy read. It is not going to lead to any major spate of legislation—indeed it seems to have provoked little but yawns in Whitehall. All the same, the Report of the Wilson Committee on the financial institutions is of lasting importance to the City and to the savers who rely on its services.

Eighteen men from as wide a background as you could imagine have sifted through a mountain of evidence over a period of three and a half years *and have concluded that there* is no call for any radical changes in the financial system. *In particular, there should be* no extension of the public sector into banking and insurance, and there is no need to establish a new statutory body to police the City.

But this is not a whitewash job, for there is also a long list of detailed proposals for change. Some are potty, but in general the recommendations highlight a *number of desirable* changes which are already under way in the financial system. This public prodding from the Wilson Committee can only help to accelerate reforms.

One broad theme is the need to impose the idea of greater public accountability *on the* most lofty institutions in the City. Things have already moved some way from the days when City men tended *to divide* themselves up into a number of exclusive clubs, and to think *that* the public ought to be grateful for being allowed *to* give them its money. The Stock Exchange, in particular, has become more sensitive to its broader responsibilities in recent years, and others are following its lead. Even Lloyd's *is now coming to grips with the* pressures of a rough tough old world.

Wilson wants to take the process further. A lot more outsiders should be *introduced on* to the governing bodies of the likes of the Bank of England, the Stock Exchange and the Council for the Securities Industry.

He has also underlined the *growing powers of the pension* funds, and the lack of a comprehensive framework for over*seeing them. Even without any* further improvements in benefits, further real growth in their size can be expected *in* the years ahead, simply because of the increase in the average length of membership and the *funding of past improvements.* Pensions currently amount on average to about a sixth of average male earnings, whereas *ultimately they could* be expected to amount to a third or more.

Over the next 20 years, the *net inflow to these funds could* rise to about £5bn a year at 1978 prices. Some way *has* to be found to make economic *power on this scale fully* accountable—both to the people most directly concerned, that is *the beneficiaries of the funds,* and to the public at large.

The best way to achieve this, as the more progressive trustees have already recognised, is by *fully and freely disclosing all* aspects of each fund's financial performance.

Wilson says there should be *a new pensions scheme act*, a bit on the lines of the Companies Acts, to oblige trustees *to open the books regularly.* And if the funds themselves do not voluntarily produce a *satisfactory system of* disclosure, he is absolutely right.

The home loan industry is another important area where this report could act as a catalyst for changes which are already under way. The build*ing societies recently concluded* that they should establish as quickly as possible a competitive rate system capable of *meeting mortgage demand more* effectively—and Wilson will spur them on in this resolve.

Between 1968 and 1978 the number of building society branches jumped from 1,662 to 4,595 and over the same period *management expenses*, expressed in terms of pence per £100 of mean assets rose from 62p to 98p. Had it been possible to hold expenses at 1968 levels, the gap between mortgage interest rates and deposit *rates 10 years later could have* been a third of a point lower.

Wilson says that by encouraging non-price competition, the *building society interest rate* cartel is wasteful of resources and so it should be abolished.

In the short-term, as some newspapers headlines did not hesitate to shriek out the result could be a rise *in the cost* of mortgages. This is because when the report was drafted, the rate was held below market levels and a lot of people were queuing to buy houses. Since then the recession has cut the queues as we reported last week.

Just as the clearing bank cartel (which was abandoned in 1971) *is now recognised to have* been bad news for just about everyone except foreign intruders, so the building society cartel *in a few years time is* likely to be remembered as a quaint relic of another age.

The Report performs another important service by describing the way that biases in the tax system have favoured some *forms of saving over others,* and led to imbalances in the financial markets. In terms of tax, *it is far less efficient to own* shares directly than it is to have an indirect interest through a pension plan or life assurance *policy. The owner occupier,* too, has big tax benefits—some of which could never have been envisaged by the politicians.

For instance, homeowners in 1977 cashed in on the increase in the value of their investment to the tune of about £500m tax free by trading down to a cheaper house, or by raising a *larger mortgage than they* strictly needed when buying a new house.

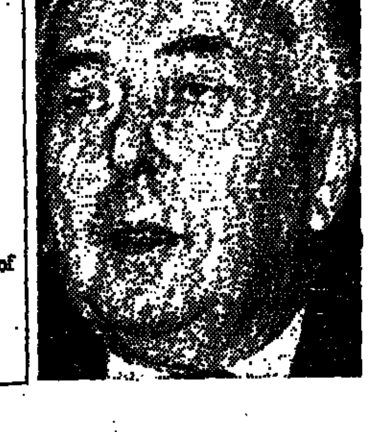
Complete neutrality of tax treatment for different types of financial institution is not necessarily practical—or desirable. Savers who had bound themselves to one form of investment on the basis of its tax *advantages would be pretty sick* if the rules were changed overnight. But the impact of distortions should always be recog*nised, and unintended and un*necessary biases should be eliminated in due course.

One idea would be to extend the tax relief now available to life assurance premiums to cover any other contractual *form of medium or long term* savings plan—with a unit trust or building society, for example. It would also make sense to put the tax treatment of interest payments by all deposit taking institutions on to *a common footing. More con*troversially, Wilson suggests that the tax arrangements for government borrowing should *generally be brought into line* with those which apply to other borrowers. Bang would go those low coupon gilt edged stocks designed especially with the high rate taxpayer in mind.

Above all, this Report will be remembered for its analysis of the all-pervading influence of *inflation on investment and* borrowing decisions by the state, companies, and private individuals. It shows that the average real cost of capital is now almost certainly higher than the average real profitability of industrial and commercial companies. No wonder companies are slashing back their investment plans all over the place.

For the private investor, there is a table of calculations which illustrates in as concise a way as could be imagined, the way in which they have been sandbagged over the past decade.

Committee to Review the Functioning of Financial Institutions



REAL RATES OF RETURN
(% per year)

	equities	Gov'm'nt stock
Jan. 1950 - Dec. 1959	12.6	−1.7
Jan. 1960 - Dec. 1969	5.4	0.5
Jan. 1970 - Dec. 1979	−2.1	−4.5

And these, mark you, are pre-tax figures. The figures would obviously have looked a lot worse if they *had allowed for* the taxman's take.

If there were ever to be such a thing as a savers' lobby, these numbers would surely be embroidered on their *banner.* The Wilson Committee was unable to agree among itself about the desirability of issuing index linked government bonds.

But if it has not been done already, let's start a campaign now. Granny bonds for all, and not just in measly numbers, either. If individuals were *allowed to* buy, say, £20,000-worth each, the Government would be able to tap new *sources of revenue and savers* would not have to feel so punch-drunk.

TSB tackles the giants

COMPARISON OF PREMIUMS FOR HOUSE CONTENTS INSURANCE

Company	2-Bed Terrace Min. £7,500* London £	Country £	3-Bed Semi Min. £12,000 London £	Country £	4-Bed Detached Min. £18,000 London £	Country £
TSB	32.50	17.50	55.00	31.00	85.00	49.00
Commercial Union	52.50	33.75	81.75	51.75	120.75	75.75
General Accident	52.50	30.00	84.00	48.00	126.00	72.00
GRE	56.25	22.50	90.00	36.00	135.00	54.00
Norwich Union	52.50	26.25	84.00	42.00	126.00	63.00
Royal	45.00	26.25	72.00	42.00	108.00	63.00
Sun Alliance	60.00	26.25	96.00	42.00	144.00	63.00

*Minimum sum insured.

THE TRUSTEE Savings Banks' *foray into the house insurance market* has resulted in 8,000 policies being issued in the first year of operation at an average *premium of £30.*

Around 40 per cent of the contracts were to insure houses, the remainder to cover contents.

Taken at face value, the TSB *has not* made any impact on this sector of personal insurance. There are nearly 11.5m *owner-occupied houses* in the UK and over 21m households. The TSB's marketing results are a drop in the ocean.

But the *TSB Trust Company's* entry into this field, taking on the insurance giants, was based on an entirely new concept for home insurance. It is significant that while it has obviously sold well through TSB branches, nearly 25 per cent of policies were taken by non-TSB users.

With a house insurance policy from other insurers the householder has to calculate the cost of rebuilding his house and *add up the total replacement* value of the contents. If he gets these sums wrong and pitches the value too low, there can be problems if a claim arises. Many companies are giving strict warnings that the amount paid *out in the event of a claim could* be reduced if there is severe underinsurance.

The TSB contract for both *house and contents can avoid* this problem and any consequent unpleasantness over a claim. The TSB, and its underwriters Provincial Insurance, estimate the average cost of rebuilding a *house*, and the average cost of its contents for various types of house. Then this average value was made the minimum sum insured.

If a claim arises, the TSB pays out the full replacement value of the items involved, up *to the sum insured, without* question. All very simple and straightforward.

Cover under the policy is kept up to date by automatic index linking, with the premium rising accordingly. The TSB, *on June 1, raised the minimum* sums insured by 20 per cent in line with inflation over the past *12 months.* But it manages to keep premiums low by insisting that the householder pays the *first £25 of each claim. This* cuts out the small claims which cost so much per unit to administer. The insurance companies do not, in general, impose such an excess.

At the time of the launch last year, the TSB premiums were the cheapest on the market for the equivalent sums insured, especially for Central London. *Critics said the rates* were unrealistic.

This gloomy prognosis has only been borne out in the London area, where the TSB has increased its rates slightly. Of course, premiums under TSB *policies will rise because of the* index linking. But the TSB rates are still highly competitive for contents insurance as the table shows.

E.S.

A crumb of comfort after the 30% warning to motorists . . .

CAR INSURANCE

ERIC SHORT

MOTORISTS HEARD *two disturbing news items this week.* On Wednesday, Mr. Geoffrey Bowler, outgoing chairman of the British Insurance Association, said insurance companies need at least a 30 per cent *increase in motor premiums to* get their motor accounts straight.

On the same day, the Auto*mobile Association's magazine* Drive claimed that lack of control by insurance companies over repair costs was resulting in *larger-than-justified claims* and hence leading to higher-than-necessary premiums.

Mr. Bowler's warning is not an exaggeration. The insurance companies last year lost £57m on their motor business. And with inflation now in excess of *20 per cent, 30 per cent looks* a realistic figure if they want to pull out of the red.

Mr. Bowler, however, had some comfort for motorists. Because of keen competition between insurance companies, he said, the actual rises would be much less than 30 per cent. Mr. John Sheather of General Accident, for instance, feels that increases will vary between 19 and 26 per cent, depending on the level of the company's existing rates.

This less pessimistic view seems to be confirmed by the Co-operative Insurance Society, *a major motor insurer with* 700,000 motorists on its books. One of the few companies that *has managed to hold* its premiums steady for 12 months, it is lifting its motor premiums *by 20 per cent from next Tues*day.

The CIS made a £2.7m loss in *1979* on its motor business. And *so far this year,* average claims costs are 25 per cent higher than a year ago, though this is *being partly offset* by much fewer motor accidents being claimed. Last year was an exceptional one *for claims because* of the severe winter weather. But the CIS is also finding that the number of claims is less *than* in 1978, regarded as a normal year. This could indicate that people are tending to *drive less because of the in*creases in petrol prices.

Motorists should get a better indication of the level of premium increases in the next month or two. General Accident, the largest motor insurer in the UK, put its rates up in February by 12 per cent, but another increase is almost certain to *take place in August. The only* real question is by how much.

The insurance industry has been offhand to say the least in replying to the accusations of the AA regarding repair costs. There has been no official statement by the BIA.

Leading companies all state that they have their own highly trained engineers to inspect damage to cars and their own *list of approved repairers,* which do a good job at reasonable cost. There they seem content to leave the situation as it stands.

But this is a grey area in motor insurance and the insurance companies need to be more positive in convincing policyholders that they are not paying too much.

The big boys and Clause 56

THESE DAYS the big boys are seldom elbowed out . . . And so it proved again this week when it emerged that the life insurance lobby has persuaded the Government to change its mind about a small, but not insignifi*cant clause in the Finance Bill.*

The clause, No. 56, effectively gives unit trusts the incentive to launch authorised funds specialising in Government securities. At the moment such funds are unattractive because they are treated by the Inland Revenue as companies—their income is taxed at 52 per cent, which compares *unfavourably with individuals* who pay at their own marginal rate of income tax if they invest directly in gilts.

The Bill has eliminated this disadvantage by making provision for funds which deal only in fixed interest securities (gilts, debentures, local authority bonds, etc.) to pay tax on their "unfranked" income at the basic rate of 30 per cent.

To many people's surprise, however, these funds were *originally restricted to* individual investors or trustees of a trust under which nobody *other than an individual could* benefit. This particularly upset the life companies who felt their investors could miss out. Now the Government has promised to amend clause 56 when the Bill reaches the Report stage in the House of Commons. As a result corporate investors, including life companies, will be able to take advantage of the concession.

The development is of particular interest to individuals *making regular savings through* a life company. It means that they will be able to get the benefit of life insurance premium *relief (a credit of 21 per cent* at the moment, or 17.6 per cent from April next year) and gain access to a reasonably tax *efficient gilt fund* at the same time.

Life companies generally have their own internal gilt funds, which pay corporation tax *on* their income at a rate of 37½ per cent. Some companies could well consider converting these *funds into authorised* unit trusts. On the other hand, as several observers were quick to point out, unit trust investors have to pay capital *gains tax on* gains above £3,000, while gilts held directly or in a life company fund for more than a year are exempt from CGT. The issue is by no means clear cut.

Tim Dickson

BOOKS

People watcher

BY C. P. SNOW

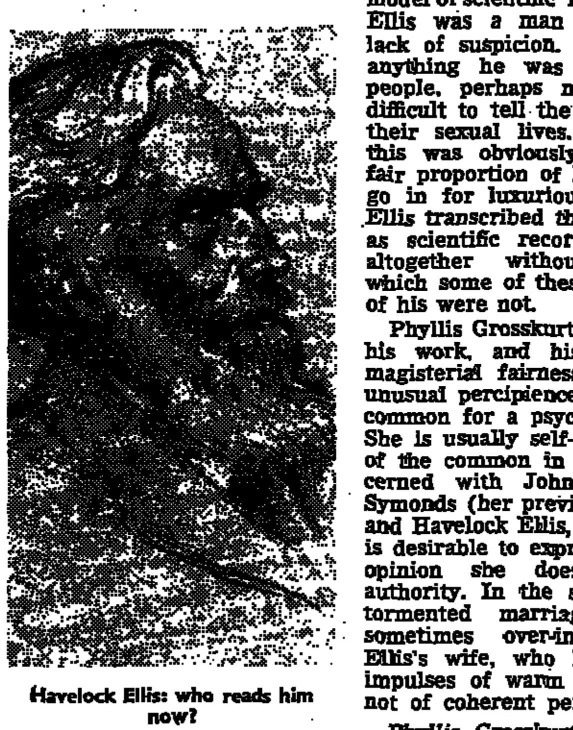
Havelock Ellis: Stranger in the World
by Phyllis Grosskurth. Allen Lane, £10. 492 pages

How much is Havelock Ellis read nowadays? Very little, one suspects. His name is presumably still well known, as that of some sort of pioneer in sexual studies. And yet, in the early decades of this century he was a venerated figure, whom even Phyllis Grosskurth, in this excellent and sophisticated biography, has to say doesn't really rank with Einstein or Freud, as was once believed. But she still makes a considerable claim for him, about her only departure from good judgement and detachment.

Certainly he was a most unusual man, an admirable subject for Dr. Grosskurth's psychological gift. She is incidentally a much more acute psychologist than Ellis ever was, much more at ease with human experience, and far more knowledgeable about the world. Ellis was the son of a captain in the Merchant Navy, was deposited in Australia for four years in his adolescence for the sake of his health, didn't have much in the way of a formal education, struggled with great difficulty through his medical examinations and then proceeded to devote himself to the study of *human sexuality*.

Ellis himself, it is clear, lived at a low sexual temperature. Even Dr. Grosskurth can't decide, or isn't certain enough to tell us, whether he was often potent with the women who, as his *Studies in the Psychology of Sex* became famous, came to adore him. It seems more likely that he got satisfaction from the contemplation of sex — in which he was absorbed from young manhood until the end of a very long life. *When he first* began to write *Studies*, his own first-hand knowledge was near to non-existent. He married in his early thirties, and it was a shock to his innocence to discover that his wife was an enthusiastic lesbian. But he had kindness, and perhaps a sympathy that was the positive benefit of his own cool nature. It may have been that quality which drew the sexually troubled to him. He would listen for hours, and ask nothing (at times some women wished that he would ask more). He learned much from his wife's adventures. There was a kind of love on both sides in that bizarre marriage, of which Phyllis Grosskurth gives a beautiful account.

His equipment for his life-work was pretty slender, but a more robust man, without Ellis's isolation and self-sufficiency, wouldn't have done it. He had quiet but obsessive curiosity. He had a placid good nature which wanted to make people more serene and contented with their own sexual oddities. In that sense, and in



Havelock Ellis: who reads him now?

the climate of 1900, it was an important sense, he was a liberator. It is easy to forget how censorious open (as opposed to private) opinion was and how stupefying was the general level of ignorance. A good many people seem to have believed that decent women didn't have, and ought not to have, sexual feelings, as was firmly stated by the ineffable and influential Dr. Acton.

How many genuinely accepted that gospel is hard to tell. After all, they read their own contemporary literature which, though it was discreet, told them somewhat different truths.

With the accumulation of Ellis's studies, he did much benefit to his time. He thought of himself, though, and was thought of by others, as a scientist. That he wasn't—except as a collector of facts, many of them dubious, rather like a pre-scientific botanist. He duly recorded his case studies. There were far too few of them to make serious generalisations. That didn't deter Ellis, for whom any generalisation was better *than none. In detail*, many of these studies don't stand examination. He had nothing like the pertinacity of Kinsey, and Kinsey isn't a model of scientific investigation. Ellis was a man of singular lack of suspicion. He believed anything he was told. Many people, perhaps most, find it difficult to tell the truth about their sexual lives. Some, and this was obviously true of a fair proportion of Ellis's cases, go in for luxurious invention. Ellis transcribed their accounts as scientific records. He was altogether without humour, which some of these confidants of his were not.

Phyllis Grosskurth deals with his work, and his life, with magisterial fairness. She has unusual percipience, out of the common for a psycho-historian. She is usually self-effacing, out of the common in anyone concerned with John Addington Symonds (her previous subject) and Havelock Ellis, but when it is desirable to express her own opinion she does so with authority. In the story of the tormented marriage, she is sometimes over-indulgent to Ellis's wife, who had fleeting impulses of warm feeling, but not of coherent personality.

Phyllis Grosskurth, however, is convincing in her picture of Ellis. He did valuable and, in a practical sense, sacrificial work. He was kind: but it was a kindness without strong affection. He wasn't much interested in people unless they gave him a chance of sexual observation, or ultimately supported his own hopes of his own skirmishing pleasures.

'Promenade en famille'—a contemporary caricature of the Duke of Clarence, Mrs. Jordan and their progeny—from the book reviewed below

Starry stage family

BY ANTHONY CURTIS

The Kemble Era. John Philip Kemble, Sarah Siddons and the London Stage
by Linda Kelly. The Bodley Head, £8.50. 221 pages

Usually when two members of the same family in the same generation pursue a theatrical career one eventually outshines the other. He or she becomes the star and the other content to revolve in the orbit of a sibling of greater magnitude. *With John Philip Kemble and* his sister Sarah Siddons the situation remained one of near parity for the whole of their working lives.

True, Mrs. Siddons made her mark first in 1782, when she strode the boards of the Drury Lane Theatre in a tragedy called *Isabella*, and stunned the entire audience into tears. Kemble had to wait for another six years when after the death of Brereton there was suddenly room at the top for a new creative talent. In 1788 at the age of 31 he was appointed manager of Drury Lane and from then on he played there opposite his sister in several of the great Shakespearean roles, winning the plaudits of Hazlitt and others for his blazing intensity, and (like Irving and Gielgud after him) providing a fruitful field for mimicry with his highly individual enunciation of the mother tongue.

The inter-twined triumphs of *these two great players has* prompted Linda Kelly to paint a composite portrait. There is indeed a third figure in the foreground of it, that of the enchanting Mrs. Jordan who excelled as supremely in comic performances as did Mrs. Siddons behind the tragic mask. Mrs. Jordan unlike her rival acquired a royal lover. He was the Duke of Clarence for whom she bore numerous children until he cruelly abandoned her.

Linda Kelly knows her stuff and succeeds in recreating the theatrical personalities of these illustrious performers in addition to filling in the background with their often much less glamorous private lives. The period is rich in documentation with critics of the order of Leigh Hunt to set down what it was like on the night. The author has not neglected to avail herself of these sources. Characters known better in other contexts like Sheridan *come into the story*. He emerges as the archetypal impresario, delightful to talk to but impossible to extract money from even when payment was long overdue.

Anyone unfamiliar with the theatre history of the period should find this book an agreeable starter before embarking on the massive scholarly tomes of which there are several.

In short—afloat and ashore

Saga of a Wayward Sailor
by Tristan Jones. Bodley Head, £5.95. 264 pages

Tristan Jones has a sailor's knack of spinning a yarn. This book describes his adventures over five years on many different voyages and boats, and it is a far more interesting read than any tale of a single, epic voyage.

Mr. Jones meets the most unlikely people in unlikely places, and he has the ability to bring them to life with vivid character sketches. His impeccably English shipmate is unforgettable—Sissie St. John, the short, dumpy sister of a bishop, who excites hot-blooded Spaniards with "her usual rig of blue gym slip, white panties, British Army socks, and brogue boots."

Nelson, his one-eyed, three-legged retriever, shared many of his adventures, particularly in Northern waters. There, both thrived on burgoo, the staple food of Arctic sailors, made by filling an old fish barrel with porridge and dried fish soaked in whisky.

On such a diet, a good sense of humour is of paramount importance, and Tristan Jones is eternally optimistic. Losing his mast becomes a habit, and he is lucky to survive seven days adrift with no food or water when his boat is sunk by a whale. But he is soon planning *his next voyage while earning* his keep as a stoker—at Harrods.

I have only one complaint about this highly entertaining volume — it is crying out for, and *sadly lacks, photographs* and illustrations.

DAVID BLACKWELL

The Diary of A Farmer's Wife 1796-1797
Allen Lane, £5.50. 162 pages.

In the privacy of her bedroom Anne Hughes, a farmer's wife, furtively kept a diary. This was one of her few indulgences; in other respects she was the epitome of the well-ordered housekeeper. Much of her journal is devoted to recipes, whether for plum cake or pansie wine for the "divers folkes" who invariably dropped in, or for a full-scale harvest home thanksgiving. However, beneath this aura of calm, good temper lay a sharp, feminine competitiveness. She vows she will not reveal the secrets of one recipe to a Mistress Ellis, "she bein sure to quiss" and her generosity extends even less towards the uppish Mistress Jones who is in for some severe set downs, "she wearing a verrie queer head covering, like a platter, albeit no so big, with great store of flowers upon it and ribbon adandering therefrom . . ." She is clever too, knowing what to conceal from her husband and how to keep events running smoothly; and he, "a mere man" is sure of her undying loyalty.

The gossipy accounts of her daily round, cloaked in this simple style lend a bawdy, *almost Chaucerian touch to the* domestic scenes. On a honey-gathering spree, for example, we are told of an unfortunate helper who fell backwards into a bees' nest "which did make a grett bussing and did send her youping out of the garden . . ."

Her main anxiety is for the eventual fate of her book. Her concluding wish is that any person who reads it should be as happy a wife as she. A fine proof that, like the Prioress from the *Canterbury Tales*, in spite of her small follies she is all "conscience and tendre herte."

The book, now published for the first time, having been kept *in the author's family, should* gain many readers. Anne Hughes' great granddaughter passed the diary on to Jean Preston, who has compiled the book.

KATE MORRISON

Macadam
by W. J. Reader. Heinemann, £8.95. 241 pages

It is ironic that the McAdam family is best remembered because the word Tarmacadam — or simply Tarmac — has become part of our vocabulary. For, although J. L. McAdam had an interest in a tar company, tar never had a part in the system of road construction which he and his male heirs imposed on the country for decades.

His idea was simple—break the roadstone into small pieces, lay them 8 *in thick* and let the traffic consolidate them. But, as Mr. Reader stresses, it was not just the basic idea which *led to McAdam's success. He* was an expert at personnel management and also publicising his cause with the turnpike trusts which had charge of the main roads.

Three sons, four grandsons and assorted other relations were involved in the thriving family "business." Their influence was widespread throughout Britain and J. L. McAdam's second son, Sir James McAdam was responsible for improving more than 100 miles of roads in London.

It was their misfortune that macadamised roads were quickly rendered obsolete by the railways. It is only pure chance since then that the family name did not drop into complete obscurity. For it has been preserved in *folk memory* by an abbreviation built into the trade name of a product which has not the faintest connection with the McAdam family.

BRIAN AGER

Dorset Villages
by Roland Gant. Robert Hale, £6.95. 240 pages

Roland Gant has written with total success that most dangerous of literary works, a labour of love. A couple of years ago, he came to my Dorset village in his capacity as a publisher to talk about a book of mine. In fact, we talked far more about this one of his and ended up doing a tour of the church and surrounding countryside. Roland Gant has not only the cultivated man's interest in historical and architectural features but the obsessive walker's fascination with every natural feature. This gives his book a depth and detail far beyond the *helicopter approach* of many guide-books.

Such details could be overwhelming or simply muddling. But sensibly he has located his dawn foxes, lunchtime rhododendrons or dusk ghosts by the A35 or the B3157. He has here covered about 200 villages. My only criticism is that he didn't find room for mine—Poyntington.

RACHEL BILLINGTON

Fiction

End of illusion

BY ISABEL QUIGLY

The New Perspective
by K. Arnold Price. Poolbeg Press (Hutchinson), £4.50. 85 pages

The Norman Pretender
by Valerie Anand. Chatto and Windus, £6.50. 410 pages

Blind Chance
by Mary Napier. Collins, £5.95. 207 pages

Berlin Blind
by Alan Scholefield. Heinemann, £5.95. 196 pages

The New Perspective is a very short first novel, partly in the first person, by a woman K. Arnold Price. Many first novels are diffuse. This one from Ireland is tight-knit, remarkable for what it leaves out, the patterns made by its gaps and spaces. It is the story of a marriage and its disintegration; but more importantly the story of a loss of identity. "If all the past, all retrospective truth and the memory of happiness has gone, what's left? If all you thought was so, isn't so, then how can you know your*self, what or who you are?*

Pattie and Cormac live in a small Irish town; he's an estate agent, she's a librarian; they're prosperous, settled, happy, married nearly 30 years, with two adult sons off their hands. During the story they move house twice, each time for Cormac's reason, for the music that's become a central part of his life. Pattie comes to realise she doesn't know him at all.

"That's it, that's all. He has "taken up" an old interest, *music*. But it's more than that, it's a passion; in earlier years, a lost passion, and she never knew. She thought he loved her because he made love to her (still does) very often. Because they were easy, apparently happy together, so close they didn't need chat, the exchange of views. Then she realises she's wrong, has probably always been wrong. "This is what I have to face: there may never have been love. I must accept it while still accepting *Cormac*."

A remarkable piece of writing, fluent, compressed and elegant, it says a great deal in a very small space with little description and detail. Very gradually, into what seems a confident, serene landscape, it introduces doubt and disorder. These stem not from infidelity or dishonesty but from a perfectly respectable indeed laudable, shareable, activity and affection: Cormac's passion for music; but it is a passion which, like so many other things, he hasn't shared in the past, isn't going to share now; indifference covers everything. "A skilled sensualist, making money and making love with a casual competence," Pattie finally acknowledges him to be. "Reciprocity," she wonders: "did he ever think about that; look for it; need it?"

The story is painful, even terrible, but told with restraint. It is about the death of feeling, the killing of memory, the mis*taken idea of a lifetime*, of oneself; about the subjectivity of love, of all emotion: while the "illusion" is there, it exists: when it's gone, nothing's left. Highly intelligent and analytical, yet charged with more and more suffering as it moves ahead, the book is extremely accomplished, causing what William Trevor calls "an explosion that echoes and reverberates long after the novel has been read."

"William the First was the first of our kings, *not counting* Ethelreds, Egberts and things": despite its title, *The Norman Pretender* is really about the Ethelreds and Egberts of pre-Conquest England, and ends with the battle of Hastings and the death of Harold, sketchily prefiguring the realignment of nobles and resettlement of lands.

The country is—has long been—*in a state of racial flux*, Scandinavianly slanted more than anything, at least on its eastern half, for centuries subject to waves of marauding invaders who tended to settle and intermingle with previous waves and longer settled natives. "From the fury of the Norsemen, good lord deliver us" is a familiar but unanswered prayer in a country where there is no deliverance, only assimilation, the furious *Norsemen* becoming the peaceable next generation.

The Normans, their descendants further south, become a new wave of conquerors, this time more permanent, more monolithic, more political and all-enveloping. From then springs the familiar next millenium, and the easily remembered sequence, from father to son and occasionally sideways, down to the present and Elizabeth II.

The Norman Pretender is mainstream, *highly competent* historical fiction, and rather more; it enters a cold, rough world where the beginnings of our social life were very sketchily traced; a multiracial society with loyalties that had still to be settled and would soon be blown sky-high by the last great invasion and the complete rearrangement of life, property and power. The characters are mostly high-born and two family trees save one from confusion; and around them cluster the more lowly, whose destinies, even then could vary enormously with luck or circumstance, talent or beauty.

Romantic love is almost, though not always, excluded in marriage but there is filial and familial tenderness, fierce loyalty between friends and sometimes honour among enemies. I enjoyed and was persuaded by the mixture of hard-headedness and humanity, by the sense of shifting, sometimes brutal political expediency, above all by the strong sense of a remote period in familiar surroundings (the Sussex forests for instance). The battle of Hastings is splendidly conjured.

Terrorists provide more *drama, horror, surprise* and counter-suprise than any novelist need invent. No wonder their hostage-seizing has given us a clutch of recent thrillers. *Blind Chance* takes place during the week when motor bikes turn the Isle of Man into a race track. An American businessman is seized as hostage by a group supposed to be "provos" but in fact led by "prods."

In between, sole representative of the hated "Brits," is Sheila, mother of the IRA supporting Harry. In a cottage she's been lent they turn up and take over, their prisoner hideously twisted with ropes strung upstairs in the attic. The climax is a thrilling motorbike chase; the conventionally happy *ending comes as an anti-climax*.

No conventionally happy ending in *Berlin Blind*, a more seriously intentioned and presented book. Thirty-five years on his past in the British Free Corps, formed by the Germans to fight the Russians from disaffected prisoners of war, catches up with John Spencer, British businessman. First a warning: the three leopards he wore on his collar at the age of 16. Then a ring at the door, his Hampstead house taken over, *torture with the kitchen toaster*, death, spiritual chaos. It has the horror of nightmare and the clarity of daylight, and manages to be very exciting while fairly serious, fairly moving.

Reforming lady

BY VALERY McCONNELL

Elizabeth Fry, a Biography
by June Rose. Macmillan, £8.95. 218 pages

Elizabeth Fry forced European society to unsheath its blind eye and view the unsavoury contents of its prisons. Similarly, June Rose exposes the conflict that lay behind the serene image of the Quaker cap. Her new biography of Elizabeth Fry is based largely on Mrs. Fry's own journals, revealing severe bouts of depression and nervous illness and a reliance on alcohol and opium. They also suggest that she used her prison work as an escape from her role as wife and mother, although she was always careful to stress that she lived her strenuous public life on behalf of God, never for her own fulfilment.

She enjoyed being at the centre of public attention, as it compensated her emotionally for an unhappy childhood; she had always been shy and withdrawn. A portrait emerges of a woman who needed her prisoners as much as they needed her; she gave them care and comfort and they gave her uncritical adulation.

But that is only one side of the coin: it ignores the courage and great originality of the woman, original not only in attempting to find an independant role in male-dominated public affairs, but in the view that she took of the prisoners. To her they were individual souls, not a subhuman block at the thin end of *sociey's wedge*. She was the first to see that prisoners should be given an alternative to a life of crime. She was adamant that the death penalty was wrong and that solitary confinement only further debased the criminal. What is more she made herself unpopular by standing out against public opinion when parliament sought to introduce harsher measures in the repressive atmosphere after Peterloo. By basing her opinion only on her own involvement with prisoners, she decided that rehabilitation was the answer—not the short sharp shock of harsh punishment.

Like most books that take us behind the scenes, this one is very readable. It is not weighed down with footnotes or over much original material from the diaries. But although June Rose does chronicle Mrs. Fry's public work as well as her emotions, her interest lies primarily with the latter. It is unfortunate that she is apt to give Mrs. Fry's dependence on malt liquor as much importance as the transformation of Newgate, simply because it is new information.

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PROPERTY

Period pieces

BY JUNE FIELD

The 5 bedroom, 2-bathroom Hill House, in 4 acres on the edge of the village of Hill, in rolling Warwickshire countryside, is for sale in the region of £110,000, which also includes two self-contained flats in the grounds. Details Ian McConnell, Savills, 21 Horse Fair, Banbury, Oxon (0295 3535)

THE VERY first property we bought, years ago, was a "listed" Regency house. Originally only Grade III, a grading long since disappeared, it wasn't at first thought to be good enough to qualify for the statutory list, although nevertheless considered of some importance architecturally and historically. Later it was elevated to Grade II, mainly because it possessed "group value," i.e. being one of a terrace of 16 others.

Only in the last decade or so has attention really centred over preserving our heritage in the form of minor period architecture, whether it is listed or not. Now the rescue and restoration of ancient bricks and mortar, *large or small, residential*, farm or commercial, is of increasing concern, with the government recognising the worth of the four main national amenity societies; they are the Society for the Protection of Ancient Buildings, founded in 1877 by William Morris among others, concerned mainly with pre-1714 buildings and their restoration, the Ancient Monuments Society, founded in Manchester in 1924, interested in conserving important structures of any period. The Georgian Group, active since 1937 in protecting 18th and 19th century buildings, and the Victorian Society formed in 1958, vigorous champions of Edwardian as well as Victorian architecture.

According to the latest DOE figures, there are 262,000 listed buildings in England and Wales, of which some 200,000 are believed to be domestic dwellings. Greater London has the highest number with 30,660, followed by Kent, 15,590, Devon 11,700, and Avon 10,590, some half of which are in Bath.

Concern that the process of listing over the last five years has virtually ceased, is expressed in an excellent new magazine, *The Period Home*. They consider there are at least a further 1m properties of special interest and value—"all faithfuly reflecting the qualities of their period." They also feel that the owners of listed homes are "all too often hampered by the exigencies of running costs, repairs and regulations," and want to see something done to alleviate the problems, particularly in respect of VAT.

For while new construction is zero-rated, repairs are liable to the full 15 per cent rate. "So on a modest £10,000 contract the owner pays £1,500 for nothing. When it is Government policy to preserve our heritage and conserve resources, why penalise people for doing so?" asks contributor Mr. Arthur Percival, who has worked for the Civic Trust since 1965.

No effective pressure group actually exists for the average listed building owner, and the new journal is intended to appeal to anyone who owns or is interested in fine old houses of all ages and styles, whether listed or not. Editorial includes a useful guide on how listing actually works, plus the anatomy of improvement grants, how to trace the history of your home (through the deeds, census returns, parish registers, county directories etc), case-studies of the restoration of a Wealden hall house, the resuscitation of a virtual ruin of a 14th century cottage, plus news of the numerous local amenity and preservation societies fostered by the Civic Trust around Britain.

For a leaflet on the magazine, contact Joan Clark-Hall, The Period Home Publications, Caxton House, High Street, Tenterden, Kent (05806 4141), or send £6 for six issues per year, postage included.

French formula

IT IS NOT ONLY British property developers that are producing schemes to keep the market moving, as I found out last week on a visit to Chamonix-Sud, delightful all-the-year-round French alpine resort bounded by *Mont-Blanc, set among* Europe's tallest peaks. Leisure estate specialists Pierre et Vacances, subsidiary of the FFr 650m Groupe Brémond.

The idea is, basically, that on their attractively styled and furnished recently constructed two to four room apartments, for which the full purchase price works out at roughly between £30,000 and £40,000, they are offering a 30 per cent reduction. To qualify for this, you have to rent the apartment to the management company for nine years on a commercial lease, with your own occupation during that period amounting to six weeks a year. You can choose any dates that you want, although it is suggested that two weeks at Christmas, one in January, another in March, with two weeks in the summer, provide a good combination of sun and snow living.

There are no service charges payable over the whole period, and the significance of being a commercial lessor is that the builder is paying you in advance not only the net rents, but the TVA refunds (equivalent to British VAT), *taxe à la valeur ajoutée* (17.6 per cent). Title to the property is registered in the buyer's name, and the group are currently working out mortgage arrangements with a Paris bank to provide the 70 per cent balance of the purchase price.

The new formula is also being offered at Avoriaz, the mountain village without cars, promoted as "the kingdom of the sleighs and the skiers." The ability to swap your occupation between other of the group's sea and mountain resorts — in Cap d'Agde, Côte d'Azur, Corsica and so on—should be a major attraction as well as the discounted price, considers Montpelier International Properties, who have formed a partnership with the French company. They are launching the scheme at their overseas property presentations at the Hyde Park Hotel in London on Wednesday and Thursday, noon until 8.00 pm, *and at the Midland Hotel*, Manchester on Friday.

Coming over from Paris to explain the whole idea is M. Jean-Louis Halfen, manager of the international sales side of Pierre et Vacances. You can either contact him at the presentations, or Miss Patricia Cuenot of Montpelier, who will also send details from their offices at 17 Montpelier Street, London, SW7 (01-589 3400).

GARDENING

Good year for honeysuckle

BY ARTHUR HELLYER

I CAN not recollect a year when honeysuckles have been better. For the past month or more they have dripped with flower and perfume and no doubt there is more of both to come for there are late flowering as well as early summer honeysuckles and some that flower early and then give a second rather smaller display later on.

Oddly, though they are such familiar plants, there is quite a lot of confusion about their naming. The trouble arises partly because the two British species, *Lonicera caprifolium* and *L. periclymenum* are much alike except that the upper leaves of *L. caprifolium* are united around the stems so that this appears to grow through them. Another difference is that *L. caprifolium* flowers mainly in May and June, *L. periclymenum* in July and August but in gardens there seems to be considerable differences between individual plants and I sometimes wonder whether some are not hybrids though the authorities never seem to suggest this. Be that as it may most nurserymen offer two common honeysuckles calling one Dutch (or Early Dutch) and the other Late Dutch. Both should be forms of *L. periclymenum* but if there is any difference at all between them it is likely that those labelled Early Dutch will have upper leaves united around the stems. They are, in fact, varieties or hybrids of *L. caprifolium* and none the worse for that.

The main gardening lesson from this mild excursion into botany is that, with the common honeysuckles, it is best to disregard names and pick out the ones you like best while they are in bloom in nursery or garden centre. There are some relatively short growing varieties with deep red flowers at their peak in July and one of these can make a very pleasant follow-on to a lighter coloured, yellow and rose, early summer honeysuckle.

All forms of the British honeysuckles are sweetly scented so one does not need to worry on that score. So, too, are all forms of the evergreen *Lonicera japonica* another popular honeysuckle with gardeners both in a beautifully variegated variety named Auroe-reticulata, which has leaves heavily netted with gold, and in a late flowering green leaved variety named Halliana. This carries its flowers in pairs and they are white deepening to soft yellow as they age with never that warming flush of red or rose that can make our native honeysuckles so lovely. Yet they make up in number what they lack in size and colour, they come late in summer and they are capable of filling the garden with fragrance. Halliana would not be my first choice as a honeysuckle nor probably my second but it would come high up in any list of priorities because of its vigour and reliability.

Honeysuckles without perfume always seem a bit of a let down yet there are some remarkably good flowering plants among them. The three best are *Lonicera sempervirens*, known as the Scarlet Trumpet honeysuckle because its tubular flowers are brilliant red and almost straight; *L. tragophylla* which has exceptionally large clusters of slenderly formed golden flowers and *L. tellmanniana*, a hybrid between these two species combining many of their good qualities. Its flowers are bright yellow and very freely produced and it is a vigorous climber that can be trained on a wall or sent scrambling up a tree or through a large bush.

The largest flowered of all the honeysuckles is *Lonicera hildebrandiana*. Individual flowers can be six inches long. They are creamy white when they first open but deepen to orange as they age. They are also sweetly scented. Unfortunately this fine species comes from Burma, Assam and the warmer southern parts of China and is distinctly tender. It grows outdoors in some mild maritime gardens in Britain and is occasionally seen in large conservatories but needs space because of its vigour. It might be worth trying in some sheltered town gardens in which frost is seldom as severe or prolonged as in the open country.

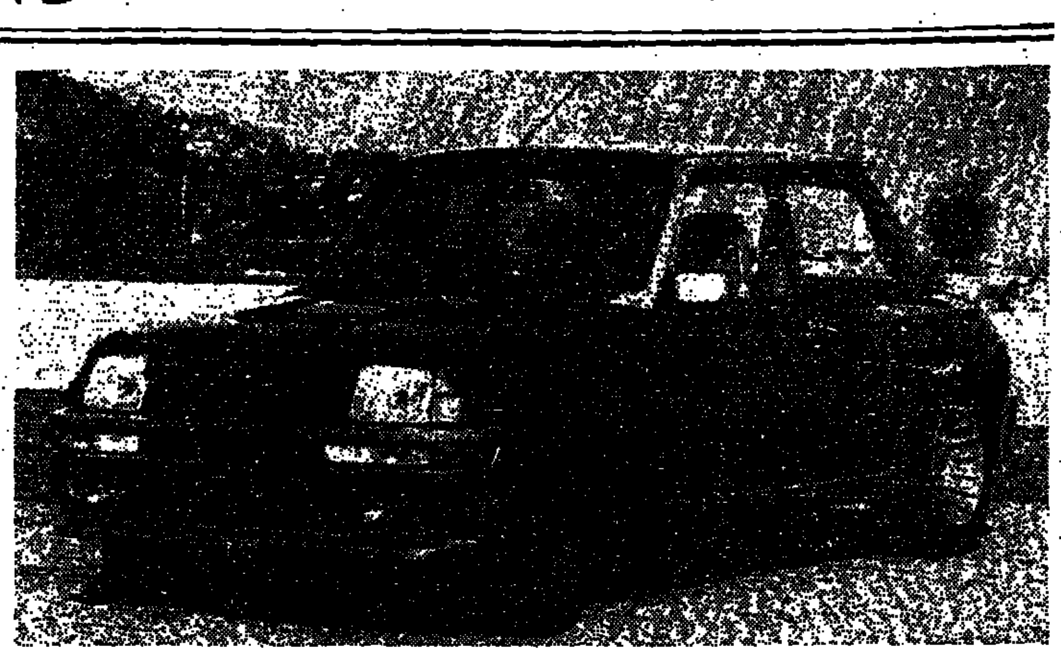
All the climbing honeysuckles like moderately rich soil with plenty of leaf mould or peat to keep it open, yet cool and moist. They like to have their roots in the shade and their stems in the sun which is not so difficult to arrange as it might sound if they are planted behind medium size shrubs or near an east or west facing wall with the possibility of being trained around to the south. If they get too hot and dry they are apt to be devastated by aphids, their worst enemy. Fortunately these are pests that can be readily controlled with a variety of efficient greenfly killers such as pirimiphos-methyl, perimicarb and malathion.

RESIDENTIAL PROPERTY APPEARS EVERY SATURDAY

MOTORING

Turbo power

BY STUART MARSHALL



The 125 mph Renault 5 Turbo. The ultimate fun car and a potential world rally champion.

A 1.4 litre engined car that is faster from 0-62 mph than an Aston Martin V8, has a 125 mph maximum, does 28 mpg at a steady 75 mph and handles like a baby Ferrari can only be called sensational.

It is a fair way to describe the R5 Turbo, which Renault hope will win them the World Rally Championship in the next year or two.

If a car is to be homologated for rallying, at least 400 have to be made for sale to the general public. What Renault calls the "customer version" of this potential world champion goes on sale in France next week at £12,350. Among those who have ordered them are actor Rex Harrison and maestro Herbert von Karajan.

They will be envied by anyone whose blood flows just a little bit faster at the sight and sound of a potent motor car.

Superficially, the Turbo is a broad-in-the-beam, ultra-fat tyred R5 though it has as little in common with a run-of-the-mill R5 as the rally winning Escorts have with the junior sales rep's favourite transport. Its engine is developed from the R5 Gordini's, but is mid-mounted, driving the rear wheels through a modified Renault 30TX five-speed gearbox.

It is a two seater, with a little luggage space up front and even less in the back, and tanks holding 20 gallons of petrol cunningly shaped to fit under the seats, where they won't disturb the weight distribution as they empty.

In spite of its appearance (and because the turbocharger doesn't start to blow at less than 3,000 rpm) it is as gentle as a domestic tabby around town. The twin plate clutch is light and smooth and the Turbo does not fret when driven in fourth gear at 25 mph in traffic.

A prod on the accelerator sends the tachometer needle swinging round the dial and the Turbo leaps away, its engine singing like an operatic tenor. In less than seven seconds 100 km/h (62 mph) comes up on the speedometer and the standing kilometre is covered in 28 seconds.

Fourth gear is good for 100 mph at 6,000 rpm and fifth shows 125 mph, at which the engine note has become subdued enough for the wind to be heard rushing past the electrically-adjustable outside driving mirror.

The Turbo squats down stably on the road at 125 mph and shows no tendency to dart about, even when whipping past speeding juggernaut lorries. It is even more enjoyable in the mountains.

Earlier this month I spent a day of the best motoring I have ever had in the Haut Savoie, hurling the Turbo up and down minor passes. The five-speed shift needs getting used to but the steering is so responsive and the grip from the Michelin TRX tyres (much larger on the rear than the front) so leech-like that one feels invincible in the Turbo. I had a similar feeling when I drove the four-wheel-drive Audi Quattro some weeks ago.

Renault considered all-wheel drive for the Turbo and the possible use of a larger, front-mounted engine but finally settled for the small, mid-mounted engine with the gearbox at the extreme rear. It's easier to whip the whole lot out against the clock, they explained.

The high fashion interior is most luxurious, fully carpeted, with hip-hugging, cloth trimmed seats, a padded fascia with a mass of instruments permanently lit with an orange glow and a radio/stereo tape player.

Granted, it was a very hot day, but the fresh air ventilation seemed less than adequate. Otherwise, it is hard to fault the R5 Turbo as the ultimate in fun cars with a competitive potential. The ride is astonishingly good, for which the all-independent suspension and the superlative Michelins share the credit.

The competition version, now under development, is likely to make its debut in the Corsica Rally in November, followed by its first Monte Carlo Rally in January. It has 250 horsepower compared with the "customer car's" 160 bhp and will be nearly one hundredweight lighter because all the sound deadening material has been ripped out.

Mainland European export markets like Germany will get the Turbo in a few months—but will it come to Britain? On this, Renault would not commit themselves, but there were hints of a right-hand-drive Turbo being "a distinct possibility" for 1982.

The R5 is Renault's first turbocharged motor car. It will not be the last. A much less exotic model, its performance and economy enhanced by a turbocharger, can be expected in time for October's Paris Show.

Piggott and Wragg

RACING

DOMINIC WIGAN

PELERIN, one of several colts squeezed for room at crucial stages in the Epsom Derby, looks to be the each-way answer to the Irish Sweeps counterpart this afternoon.

A progressive colt by Sir Gaylord out of the St. Paddy mare, Padrona, Pelerin managed to finish less than three lengths off Henbit at Epsom after running into trouble alongside France's Garrido when bunching occurred near the finish.

Lester Piggott has chosen to ride Pelerin in preference to several other likely looking colts and this strong bay can underline the value of that Epsom form by holding off Garrido, a colt not sure to be in his element over this stiff galloping track.

Some of the best staying handicappers in Britain clash at Newcastle in the Coral Northumberland Plate. The great Sea Pigeon would be an almost universally popular winner.

Backed to win £14,000 in one hand on Thursday, Jonjo O'Neill's mount will go well without, perhaps, proving good enough to cope with either Beau Reef or Halba.

NEWCASTLE
1.45—Age Of Reason**
2.15—Tribal Warrior
2.55—Halba*
3.30—Paulager***
4.00—Aunty May
4.30—Love Supreme
5.00—The Hood

NEWMARKET
1.30—Doobie Do
2.00—Prince Northfields
2.30—Premier Rose

CHEPSTOW
3.15—Detonate
3.45—Marathon Gold

CURRAGH
3.15—Pelerin

MOTOR CARS

TRAVEL

The wild Northeast

BY MICHEAL STRUTT

Holy Island, crab fishermen and their catch

NORTHUMBRIA'S 60 miles or more of coastline, from the Tyne to the Scottish border, has a grandeur which becomes more imposing the further north you go.

Leave Newcastle behind and the tang of the sea fills your nostrils at Tynemouth—less self-consciously a resort than a pleasant town with its modest hotels which just happens to be beside a sandy beach and the sea. There are just a few echoes of the kiss-me-quick holiday; an amusement arcade, the Beachcomber Bar and the Arnold Palmer Putting Course.

The beach continues to sedate Whitley Bay, a couple of miles up the road, where there is a leisure pool and a notice in a pub window said tartly: "No motor cyclists."

Ten miles further on is Blyth, a working town with its colliery, wharves, its trading estate and impassive early morning bus queues. There are other pits in this area, mining the coal field that reaches out under the sea, and the whiff of coal smoke from living room fires is pungent.

But skirt past Ashington and Lynemouth with its pit, power station and huge aluminium smelter, then industry and housing recede. Vistas of sea and coast take over. The five-mile sweep of sand dunes at Druridge Bay has almost no houses or people to be seen.

From Amble, one of the places from which fishermen still put out in traditional North Sea cobles, up to Berwick the coast is officially designated as an Area of Outstanding Natural Beauty: a wild and windy stretch dominated by a string of castles perched on outcrops of rock.

You can reach the gaunt ruins of Dunstanburgh Castle by a spectacular 1½-mile walk along the foreshore from the fishing village of Craster. Though much of the castle has gone its brooding presence dominates the skyline almost from the moment that you leave the village, until the gatehouse looms above as you climb the last few yards of path.

A gale that was blowing on the day I picked almost lifted me off my feet, adding to the feeling of windswept isolation.

A fine way, it proved, to build an appetite for the renowned Craster kippers, which you can eat for about £1.50 a pair in a restaurant next to the building in which they are oak-smoked in the traditional way.

I found them strong-flavoured but delicious and from the table there was a view over Craster's tiny harbour.

The fishing town and resort of Seahouses, 10 miles further on, has a fleet of about a dozen 60 ft seine-netters and some smaller boats which bring in whiting, codling and crabs. It is also the starting point for boat trips to the Farne Islands, three miles offshore, where the seal and bird sanctuaries are under the care of the National Trust.

A strong wind and a choppy sea on the morning I went kept my party sheltering under polythene spray sheets on the way out and back, but in the lee of the islands we were given a camera-range close-up of the seals and seabirds including gannets, cormorants and shag. We landed for 45 very breezy minutes on the Inner Farne.

The Farne Islands were of course the scene of the courageous rescue in a storm of nine survivors of the steamship Forfarshire by Grace Darling and her father, William Darling—keeper of the Longstone Lighthouse—after the vessel hit the rocks in September 1838.

The rescue, in a 21 ft rowing coble, caught the public imagination and made Grace, then aged 22, a national heroine.

Artists came to paint her, commemorative mugs and plates were produced and the event spawned a minor literature of books, songs and poems—including one by William Wordsworth.

Ephemera and relics of the episode are on show in the fascinating Grace Darling Museum at Bamburgh, where she was born. The actual boat and even pieces of the dress she wore at the time (collected by others as souvenirs) are on display.

With demure good sense Grace Darling declined the life of a celebrity and it falls to the museum's guidebook, in a sidelight, to mention that many other hazardous Farne Islands rescues made by William Darling, but with his sons, did not attract the same attention.

Bamburgh is best known for its magnificent castle. Open to the public, it is still lived in as a family home and the discreet television aerials on its lofty roofs are in a curious contrast to the weathered walls and towers.

The three-mile walk along the beach from Seahouses to Bamburgh is exhilarating, with the castle as a backdrop and both the Farne Islands and Holy Island in sight.

Holy Island, where Bishop Aidan established a church and monastery in the seventh century and where the illuminated Lindisfarne Gospels were produced, is owned by the National Trust. A visit demands a careful check with the tide tables, to use the causeway across the sands and get back if you go for the day.

The remains of the 11th century priory can be visited and from the vantage point of Lindisfarne Castle, remodelled as a romantic home by Sir Edwin Lutyens, you can take in the view across to Bamburgh and the Farnes.

And the island is making a name for its now commercially-produced Lindisfarne Mead.

Crossing the modern road bridge into Berwick-upon-Tweed provides a stunning panoramic view of Robert Stephenson's sweeping, 28-arch viaduct, built in 1850, which carries the railway line to Edinburgh across the river at the dizzy height of 126 feet.

Berwick still has its mediaeval and Tudor town wall and fortifications from which, strolling all the way round in half or three-quarters of an hour, you get an intimate view over stone-built houses, rooftops and gardens—and the Tweed.

It is a surprisingly peaceful walk: even on a Saturday morning—a market day—it is hard to believe that the bustle is only a few streets away.

Berwick's shops are an interesting admixture of small bakers and butchers, bookshops, restaurants, high-quality food stores and shops selling extremely sensible clothes to keep out the border chills. The border, if you have the energy, can be reached by foot along a clifftop path.

The Northumberland coast can be explored in several ways: by car, walking, or, as I did it, by bicycle. There are plenty of small hotels and places for bed and breakfast. Allow about £10 to £15 for a double room, £5 to £8 for a single.

Further information from: Northumbria Tourist Board, 9 Osborne Terrace, Jesmond, Newcastle upon Tyne NE2 1NT.

Poet's corner

BY JULIAN CRITCHLEY

Wenlock Edge was umbered and
bright was Abdon Burf,
And soft between them
slumbered the sweet green
miles of turf.

A. E. HOUSMAN was a Worcester Lad who wrote about Shropshire, or to be more accurate he used Shropshire place names as the settings for his poetry. It was not until The Shropshire Lad had been published that he visited the hill country which had been the Western horizon of his childhood. He is buried in Ludlow Churchyard under a cherry tree, but during his lifetime he took care to spend his holidays in Venice and Paris.

Housman once said that he picked Shropshire for the magic of its names: Wenlock, Clun and Clee; and the rivers, Teme and Onny, while he made Ludlow, the town towards which his doomed lads were always striding on May mornings, the capital of his "land of lost content." I spent two days at the beginning of May driving around South Shropshire, poems in hand.

The weather though cold was kind and under a bright sun one of the prettiest and least-known parts of England was at its best. Shropshire, south of the Severn, is a champaign country, blue, green and gold, castellated and quite unspoilt.

Ranges of hills, some bleak like the Stiperstones, others dainty like Wenlock Edge, run down the width of the county, the scenery of which changes perceptibly from English to Welsh. A visit should be prescribed for all those who are tired of London and of life.

I stayed at the Lion in Shrewsbury, a town in which, save for an appalling modern market hall, it is hard to find an ugly building. The Lion (£18 a night) is a handsome Georgian building in Wyle Cop the interior of which has been "restored" by Sir Charles Forte rather in the style Sir Giles Gilbert Scott restored country churches after 1860. But the service was attentive and the meat was good.

There are few pleasures to match having nowhere in particular to go and time to do it. I drove to Much Wenlock and the elegant ruins of St. Milburga's Priory.

The town, shabby but pretty, stands at the head of Corvedale, a wide valley with red soil, cut off from the world by the Clee Hills and farmed by the most prosperous of Salopians.

Ludlow, the prettiest small town in England, stands at the bottom of the Dale in the elbow of the River Teme. Its castle is the largest and best-preserved in the Marches.

It is a town of pubs, farriers and antique dealers, of people who came for the day 20 years ago from Manchester and Birmingham and stayed. It is only months since the by-pass, planned in the 1930s, was opened, and the town is now juggernaut-free. The May Fair, celebrated by Housman, was on, its wheels and stalls taking up two streets. I lunched at the Feathers on beef sandwiches and beer and then drove westwards to Lentwardine and Clun.

Clunton, Clunbury, Clungunford and Clun are, of course, "the quietest places under the sun." There are other less reverent local renderings. The Clun valley leads to nowhere, the road climbing for a dozen miles before petering out in Powys and at the gate of Peter Walker's hill farm. No one goes to Wales that way.

The River Clun threads its way eastwards between the high Welsh-looking hills of the Forest. Clun itself is tiny, a Norman-planted town with a splendid church.

I stayed at the Sun at Clun, a 15th century pub with four bedrooms and three more building. The room cost £5 and dinner for four, £40. The food was plain but good but the wine list was curiously thin in a county which boasts as good a wine merchant as Tanner's of Shrewsbury. I was wakened by cocks crowing and the sun streaming in through the window.

Housman was a curmudgeonly don who had neither music nor art. His poems were always being set to music, something that made him angry and his verses indistinguishable.

Noel Shepherdson, an art teacher from Epsom, has taken refuge in Clunton, where he paints the local landscape. His pictures are, at their best, Corot-like, and he is holding an exhibition in Richmond early in July. I bought an oil of Clunbury church from an exhibition which is being held at Burford House, near Tenbury Wells, where they grow the best clematis in the country.

At Acton Scott under the Longmynd near Church Stretton, is a farm museum, a working farm where the livestock and implements are those of a 19th century Shropshire hill farm. The pigs are ginger and hairy (Tamworths), the cattle are Longhorns as in Constable, the turkeys really are from Norfolk and the butter home made.

For those who really wish to have straws in their hair, the farm welcomes volunteers to help with the hay-making and the harvest. The telephone number is Marshbrook 322.

I think it was the historian G. M. Young who wrote that England a hundred or more years ago must have been the most beautiful island in the world. To tour South Shropshire in May is to return to that vanished Arcadia where the minor roads are free of traffic, the cottage gardens brilliant with aubretia and the pace therapeutically slow.

In spite of Housman's topography (the poet was sometimes wrong: Hugley where the clock told the time to none, has a tower and not a spire) South Shropshire remains a secret well-worth keeping to oneself.

CHESS

LEONARD BARDEN

Russia's international chess lead should be well maintained in the 1980s, judging by a recent under-publicised tournament at Baku. It was not just that Gary Kasparov, now 17, won first prize ahead of 11 grandmasters, qualified as the world's youngest GM, and confirmed his position as heir apparent to Karpov. Kasparov's immense talent is well proven, and his finely controlled mix of strategic insight and attacking flair is reminiscent of his teacher Botvinnik.

Equally significant at Baku was Belyavsky's second place, just half a point behind Kasparov and also surpassing the new GM score. At 26, he is a year older than Tony Miles whom he narrowly beat for the junior world title at Teesside in 1973. In recent years Belyavsky has won several medium class internationals by wide margins, but now his ability to dominate tournaments matches Korchnoi, Larsen or Tal in their heyday. He was three points clear of the field at Bucharest in March, and in Baku he and Kasparov finished 2½ points ahead of the next player.

Baku was also the best result yet for the young woman world champion Maia Chiburdanidze, stil only 20. Her 8 out of 15 put her in a tie for sixth with the experienced GMs Csom and Torre. Shortly after Baku she routed her predecessor Gaprindashvili in the USSR team championship. This game, along with Kasparov's masterly victory over Csom, indicates a stiff task for young British players and others hoping to dethrone Russian chess in the 1980s.

White: G. Kaspatev (USSR). *Black: I. Csom (Hungary).*

Opening: Nimzo-Indian (Baku 1980).

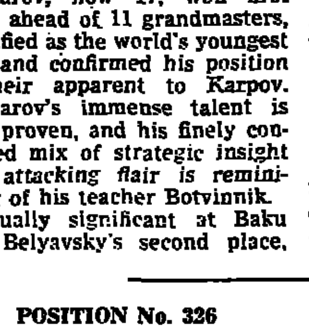
1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-QB3, B-N5; 4 P-K3, P-B4; 5 N-K2, PxP; 6 PxP, 0-0? (better P-Q4 to contest the centre); 7 P-QR3, B-K2; 8 P-Q5! (taking advantage to leave Black permanently cramped), PxP; 9 PxP, R-K1; 10 P-KN3, B-B4; 11 B-N2, P-Q3; 12 P-KR3 (to stop B-KN5), B-B4; 13 O-O, QN-Q2 (N-K5 gives more play); 14 P-KN4, B-K5; 15 N-N3, BxB; 16 K-B, N-B1 (still too passive —he should try N-K4 and N-B5); 17 P-N5, N3-Q2; 18 P-KR4! (advancing the pawns in front of your castled king requires fine judgment. Significantly, the past masters of this difficult type of attack were Kasparov's chess hero Alekhine and his teacher Botvinnik), N-K4; 19 P-R5 (threat 20 QN-K4, B-N3; 21 P-R6), P-B3; 20 QN-K4, PxP; 21 BxP, Q-N3; 22 P-R6, N-B2; 23 PxP, N-Q2 (not KxP? 24 B-B6 ch, K-N1; 25 P-N4); 24 N-B6 ch, NxN; 25 BxN, Q-N4; 26 R-R1, B-N3; 27 Q-B3, N-K4; 28 N-B5! (the finish is also in Alekhine style. If NxQ; 29 N-R6 mate), N-B2; 29 RxP! Resigns. If KxR; 30 R-R1 ch; and if then K-N3; 31 P-N8=Q ch, RxQ; 32 N-K7 mate, or if K-N1; 31 R-R8 ch, NxR; 32 PxN=Q ch, K-B2; 33 Q-N7 mate.

White: M. Chiburdanidze. Black: N. Gaprindashvili. Opening: Ruy Lopez (Rostov 1980).

1 P-K4, P-K4; 2 N-KB3, N-QB3; 3 B-N5, P-B4; 4 N-B3, N-Q5; 5 0-0! (improving on 5 P-Q3 played in their women's world title match), NxB; 6 NxN, PxP? (this already opens the floodgates. Black should try P-Q3 although 7 P-Q4, PxKP; 8 N-N5 puts White well ahead in development); 7 NxKP, N-K2; 8 Q-R5 ch! (provoking another weakness), P-N3; 9 Q-R4, B-N2; 10 Q-B4, R-B1; 11 QxP, P-Q3; 12 N-KB3, B-B4; 13 Q-QB4, P-B3; 14 QN-Q4 (command of the K6 square coupled with Black's stranded king is decisive), P-Q4; 15 Q-K2, Q-Q2; 16 NxB, QxN; 17 R-K1, B-B3; 18 N-Q4, Q-Q2; 19 N-K6! R-B2; 20 P-Q4, R-QB1; 21 P-QB3, P-QN3; 22 B-N5, P-B4; 23 BxB! RxB; 24 Q-K5, Resigns. If K-B2; 5 N-N5 ch—a game whose power suggests the winner will stay women's champion for many years to come.

POSITION No. 326

BLACK (8 men)

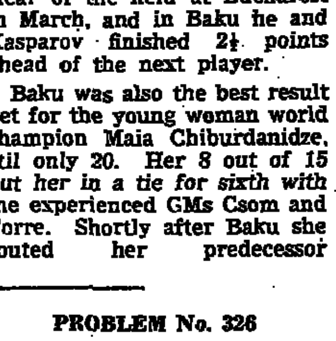


WHITE (5 men)

Yates v. Alekhine, Kecskemet 1927. Alekhine (Black, to move) is ahead on material but handicapped by his pinned knight. What did he play, and how should the game go?

PROBLEM No. 326

BLACK (1 man)



WHITE (5 men)

White mates in three moves, against any defence (by Mrs. W. J. Baird). One of a handful of women problem composers. Mrs. Baird had a prolific output and won a tournament first prize with this miniature puzzle.

Solutions Page 14

BRIDGE

E. P. C. COTTER

Nearly 30 years ago the late Iain Macleod wrote Bridge Is An Easy Game, which was widely acclaimed. A new edition in the Master Bridge Series has been published by Gollancz at £3.50. If you do not already possess a copy, I advise you to get one—you will enjoy this book.

We start with a hand from an international match between England and Scotland:

```
              N
              ♠ 6 3
              ♡ A J
              ◇ K Q 5 3
              ♣ J 10 8 7 2
W                         E
♠ K 9 7 5                 ♠ J 8 2
♡ 10 6 2                  ♡ K 9 7 4 3
◇ 7 6 4                   ◇ J 8 2
♣ A Q 9                   ♣ 4 3
              S
              ♠ A Q 10 4
              ♡ Q 8 5
              ◇ A 10 9
              ♣ K 6 5
```

South dealt at game to North-South and bid one no trump, North raised to three no trumps, and all passed. In one room the Scottish West led the five of spades, and the declarer had no difficulty in making 10 tricks.

In the other room Harrison Gray was West, and found the killing lead of the heart six. Dummy's Knave was played, and Jack Marx, sitting East, did not win with the King—that would have been a fatal mistake—but dropped an encouraging nine. The Knave of clubs now ran to the Queen, West returned the heart 10 to the Ace, and East completed the peter. When West got in with the club Ace, he still had, thanks to East's duck at trick one, a heart to lead back, and this enabled his partner to defeat the contract with three hearts.

The point of this hand is not that the MUD lead of the heart six rather than the routine lead of a low spade brought about the defeat of the contract, but that the duck by East in such situations is essential to maintain communication between the two defenders. The average East plays his King at trick one and returns a heart. West can lead a heart when he gets in with the club Queen, but he has no further heart to lead when he wins with his Ace.

Study this defensive duck and be ready to employ it at the table.

Now for defence against a slam bid:

```
              N
              ♠ A 5
              ♡ 8 7 3
              ◇ 10 7 4 3
              ♣ A 8 7 5
W                         E
♠ 9 8 7                   ♠ J
♡ 6 4                     ♡ J 10 9 5 2
◇ A K Q 8 5               ◇ J 6 2
♣ K 9 3                   ♣ J 10 6 2
              S
              ♠ K Q 10 6 4 3 2
              ♡ A K Q
              ◇ 9
              ♣ Q 4
```

By a bidding sequence which we will not go into South reached an optimistic contract of six spades. West led the diamond King, on which East played the two—how should West continue?

If West without looking deeply into the position continues with the diamond Ace, the "safe" lead, let us see what happens. The declarer has 11 tricks on top and no chance of coming to a 12th except by means of a squeeze. He has already lost one trick, so that the count is rectified, but he must managed to eliminate any diamond higher than dummy's 10 which East may hold. He ruffs the second diamond, cashes King and Ace of spades, then ruffs another diamond, bringing down East's Knave. Now, if West holds the club King in addition to the diamond Queen, he will be inexorably squeezed. South runs off his trumps and his heart winners, and at the 11th trick West, holding the diamond Queen and the King, nine of clubs, has to capitulate.

West must not play another diamond at trick two and so help the declarer to "isolate the diamond menace," by stripping East of the suit. If instead he plays a spade or a heart, the timing is upset, and no squeeze is possible.

TRAVEL

COMPANY NOTICES

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

(Incorporated in the Republic of South Africa)

NOTICE TO MEMBERS

Annual General Meeting

Notice is hereby given that the sixty-third annual general meeting of members of Anglo American Corporation of South Africa Limited will be held at 44 Main Street, Johannesburg on Friday, August 15 1980, at 11h00, for the following business:

1 To receive and consider the annual financial statements for the year ended March 31 1980

2 To elect directors in accordance with the provisions of the Corporation's articles of association.

3 To consider, and if deemed fit, to pass, with or without modification, the following resolution as an ordinary resolution, namely:

"That the directors be and they are hereby authorised:

(i) To allot and issue all or any portion of the 9 650 000 unissued redeemable cumulative preference shares of 2.5 cents each in the capital of the Corporation and, after providing for the allotment and issue of the ordinary shares in terms of the share incentive scheme the staff share option scheme and any shares which shall have been set aside for allotment in substitution for shares in Rand Selection Corporation Limited arising on conversion of bonds of U.S.$1 000 each representing the Rand Selection U.S.$30 million 6½ per cent convertible loan 1986, all or any portion of the remaining 13 784 798 unissued ordinary shares of 10 cents each in the capital of the Corporation, at such time or times to such person or persons, company or companies, and upon such terms and conditions as they may determine.

(ii) To make arrangements on such terms and conditions as they may deem fit for the subscription by underwriters of:

(a) any shares offered by way of rights issues but not taken up by the persons entitled thereto; and

(b) any shares resulting from the consolidation of any fractional entitlements in respect of any shares issued in pursuance of a rights issue, provided that any rights to such shares which can be sold in nil-paid form on The Johannesburg and/or London Stock Exchanges during the period which they are quoted on such stock exchanges may be sold by the underwriters, and the net proceeds of any sale of such rights shall be paid to the Corporation."

The Head Office and United Kingdom ordinary share transfer registers and the ordinary section of the register of members of the Corporation will be closed from August 11 1980 to August 15 1980, both days inclusive.

Holders of share warrants to bearer who wish to attend in person or by proxy or to vote at any general meeting of the Corporation must comply with the regulations of the Corporation under which share warrants to bearer are issued.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Corporation.

By Order of the Board
J. T GOLDFINCH
Managing Secretary
June 27 1.

Registered Office:
44, Main Street, Johannesburg

EDUCATIONAL

COMPANY NOTICE

ANGOSTURA BITTERS
(Dr. J. G. B. Siegert & Sons) Limited
(Incorporated in Trinidad W.I.)

NOTICE IS HEREBY GIVEN that an Interim Dividend of 15 cents per unit less Trinidad Withholding Tax at the appropriate rate for non-residents of Trinidad & Tobago, has been declared payable to all holders of ordinary stock registered in the Books of the Company in Trinidad at the close of business on 25th June 1980. The Transfer Register will be closed from 20th June to 25th June, both dates inclusive. Dividend Warrants will be posted in Trinidad on or about 25th June 1980.

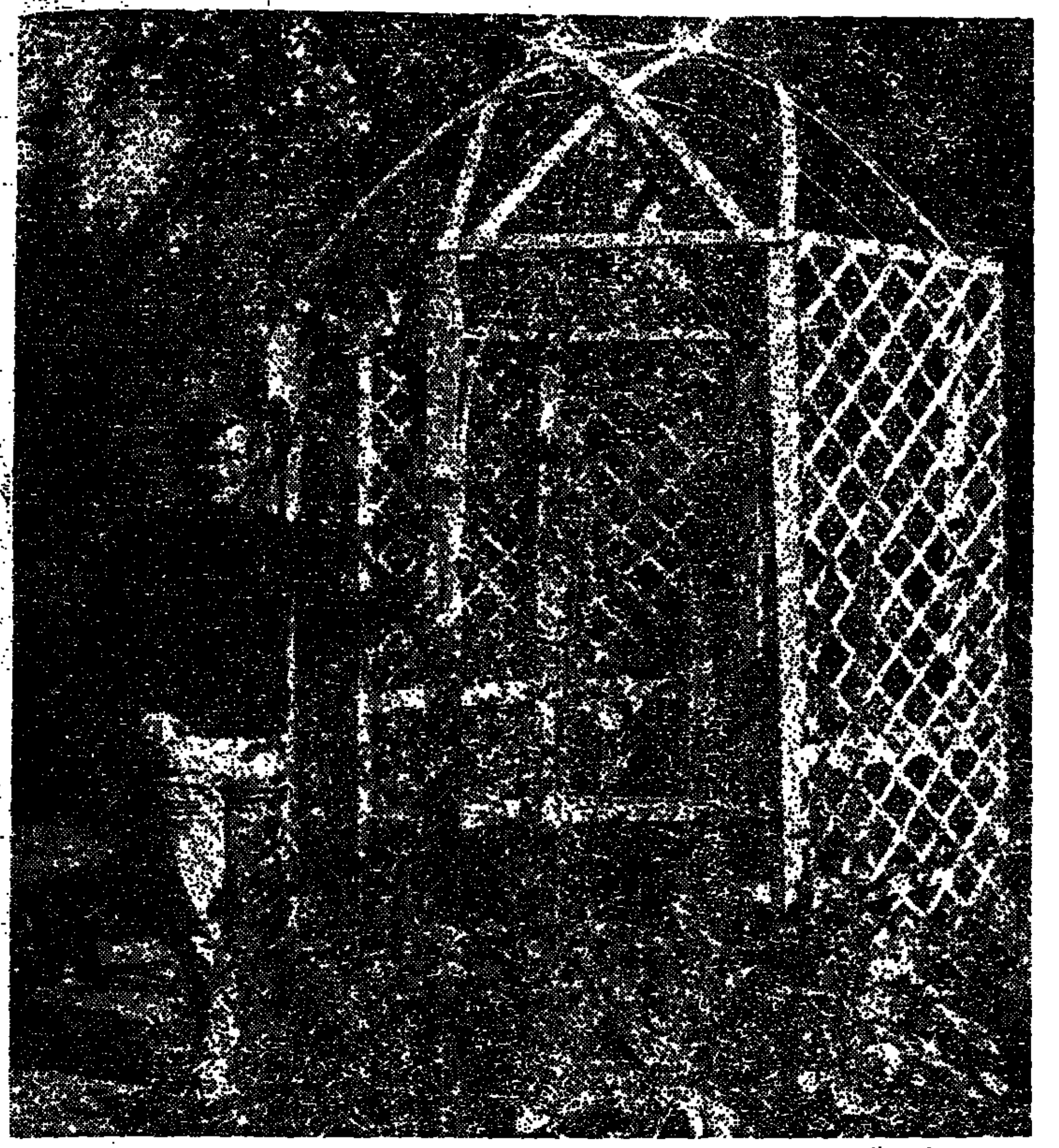
A. J. HEDGER.
Transfer Officer.

Canadian Imperial Bank of Commerce,
55, Bishopsgate,
London EC2N 3NN.
25th June 1980.

HOW TO SPEND IT

by Lucia van der Post

Come into the garden



Hugh Routledge

NO MATTER how small or how large our garden, most of us feel it could be improved in some way. I certainly spend many hours planning just how it ought to look but never quite seem able to bridge the gap between the ideal and the actual.

Anybody wanting a small touch of magic in their garden might like to consider a gazebo. The gazebo or folly is a traditional part of the large British garden but John Benson, an architect who has only a relatively small garden in Hampstead, has designed a gazebo that lends a touch of enchantment to even very small gardens.

John Benson designed it originally just for himself because he found that he and his family never seemed to use the garden largely because they were too lazy to get out the deck-chairs. "Now, we use it all the time."

The gazebo that he designed is not only a visual delight, but it also incorporates seating for at least five people. You can think of it either as a foil for growing plants over, a focus of attention or as some exceedingly decorative garden furniture.

Because all his friends so admired the structure and kept asking if they couldn't have one too, John Benson decided to produce kits so that people could put them up themselves.

He used Siberian redwood which is treated with clear, water-repellent preservative (without treatment it has a natural lifespan of between 15 and 20 years, with treatment this should be much longer). The structure is supported on mild steel piles so that the timber itself is not below ground.

Anybody with a seven-foot square piece of level ground could find space for the octagon. With the kit comes a leaflet full of diagrams and instructions telling the buyer exactly how to put it up. There are pieces of wood to help you mark out a perfect octagon, the seats come ready-made and are just dropped into position and then nailed down. I haven't tried putting one up myself (the day I was due to, it rained so solidly that we couldn't get going) but John Benson and his joiner put one up in 20 minutes—others less familiar with the structure should take two hours if two people are working together.

No difficult techniques are needed—the pieces are simply nailed together, no complicated screws. An octagon is a very strong shape and is supported by so many diagonals that the gazebo should withstand even the onslaught of the toughest of children.

The whole kit can be bought for £300 (inclusive of VAT and delivery within 25 miles of Hampstead) and anybody who thinks that that is expensive cannot have looked recently at the price of either those very boring wooden summer-houses (which seem to start at £800, exclusive of VAT or cost of putting them up) or of garden furniture—and this structure, remember, combines both.

John Benson can only guarantee the price of £300 for the first 100 orders—after that he will have to buy more wood which may put the price up.

Those with large gardens could possibly design a magical structure using two or three of the gazebos so that for something like £1,000 a much more delicate and decorative addition to the garden than those hard, rectangular wooden huts could be devised. Remember, though, that the gazebo is open to the weather.

If you'd like to know more about it the complete instruction leaflet can be sent in return for a nine-by-four stamped addressed envelope. Delivery outside the 25-mile limit can be arranged but will cost extra. For more details write to: John Benson, architect, 3 Parkhill Road, London, NW3.

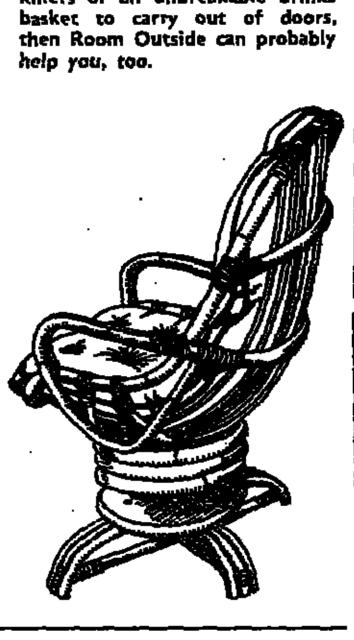
Room Outside may be familiar to many readers. Based at Goodwood Gardens, Waterbeach, Nr. Chichester, Sussex, it specialises in anything that might enhance or enliven the garden or outdoors. If you are looking for something specific or just wanting a few ideas you could do worse than take some time off and drive to the garden centre which is an old walled garden close to Goodwood House. Open from Tuesday to Saturday, the owners Jane and Michael Burton nonetheless are very used to people ringing them up and discussing their needs and are happy to make appointments to meet customers at other times if necessary.

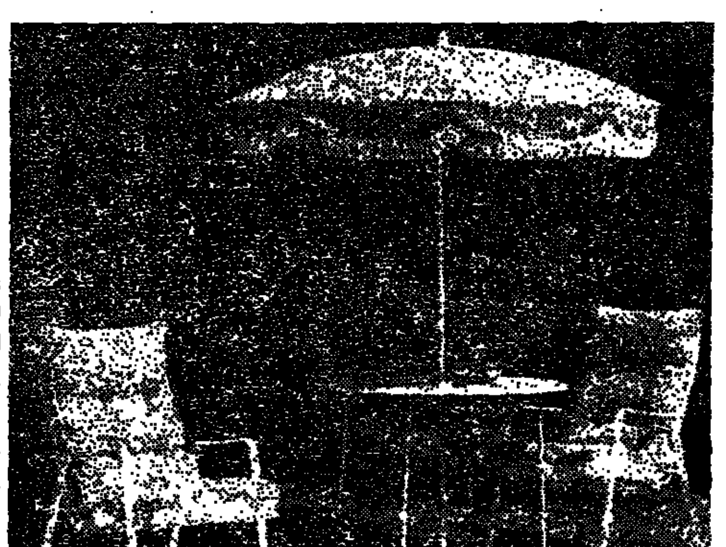
Those who live too far for a visit can send a stamped addressed envelope for a copy of the leaflet which shows some of the things that Room Outside sells. Shown here is a collection of their garden pots of all sorts—the group at the back is in terracotta and prices range from £1.70 for a 9 in high small wall-hung pot to £24.84 for a lovely big urn-shaped model.

In front are some pine and Iroko plant tubs which are relatively expensive (£51.50 for a pot 21 in high by 14 in across). There are also glassfibre pots and windowboxes for those who like to keep such things very light.

They also stock a big collection of garden furniture and I particularly like this swivelling rocking chair in cane, below. It would be ideal in garden rooms or conservatories and costs £154.56. There is also a large selection of willow chairs and baskets.

But if you're looking for smaller garden delights, for things like mats to put beside the pool or flares to light up the path at night or Flowtron Bug killers or an unbreakable drinks basket to carry out of doors, then Room Outside can probably help you, too.





The weather hasn't, of late, done a great deal to encourage us out into the garden but working on the premise that there is more of the summer to come it seems worth looking at some of the best value in garden furniture that I have come across.

Exclusive to Marley Homecare is this collection of epoxy coated, white-framed furniture. The chairs, as you can see from the photograph, are upholstered and the cushions cannot be left out in rain but when the sun does shine they should be much more comfortable than the average deckchair or hard wooden seat. The lightweight metal frames don't chip and are weather-resistant so if you don't want to bring the chairs inside each time you expect rain you can just remove the cushions and leave the frames outside. A pretty mini-flower print design in brown and white has been used to cover chair seats and backs and for the parasol. There are lots of other colourways to choose from, both florals or stripes. The set is made by A. Baveystock.

Prices seem exceedingly good at £24.95 for the high-backed chair, £19.95 for the formwood patio table (76 cm in diameter) and the matching parasol is £16.95. Also in the set is a relaxer chair at £29.95 and a sunbed at £33.95. There are Marley Homecare Stores up and down the country in places like Bromborough in Merseyside, Canterbury, Chester, Colchester, Croydon, Eastbourne, Exeter, High Wycombe, Maidstone, Norwich, Reading, Romford, Sutton, Walton, West Wickham, Worthing, Yeovil and Orpington.

Anne Morrow

If you are looking for some unusual or slightly different pottery, After Dark, normally better-known for its delicious collection of things for the bedroom, has gathered together a few items that really do seem unlike the general run of the mill products one sees everywhere.

Window-boxes are the outlet for frustrated city-gardeners and the After Dark collection of ceramic window-boxes is very attractive indeed. Sketched above right is a small box, only 9½ in wide and 4½ in deep, in lovely colours of blue, orange, yellow and white, all subtly intermingled, or else in plain white. Costing from £7.60, it is sadly too heavy to post (unless readers are willing to take the risk in which case they can telephone After Dark on 01-730 9136 to discuss the matter). A larger size is available in terracotta only at £8.95 (measures 7½ in by 17½ in by 7½ in).

The jug on the left is in white with green spots and handle (or red or blue) and measures about 7 ins high. Part of a series of frog jugs, this particular one is £17.95—again it is difficult to post but readers who are interested should ring After Dark. The shop is to be found at 64 Pimlico Road, London SW1.

Browned off without sun

I once went on holiday with a ready-made tan. An editor of mine made every member of his department try out a different tanning method so there I was—golden brown from top to toe. It was a revelation. My holiday took on a totally different dimension. Instead of creeping out on that first day like a pale white slug and heading straight for the beach desperate to start toasting at the earliest possible moment, I bounded off for a swim and then felt liberated to do all manner of other things that had in the past been sacrificed for the ritual acquiring of the tan. Of course the counsel of perfection is not to try to tan at all. Much better for the skin to stay a pearly white say all the experts. But if tan you must, I heartily recommend doing it before you go. JOAN PRICE reports on the latest method . . . . .

THE twentieth century could be called the age of the sun. A deep tan is not only attractive in itself, but it makes a person seem fitter, more relaxed, more fashionable and even sexually provocative.

If you look around you'll find that there are a lot more people with this desirable just-back-from-the-Bahamas brownness: this could be due to a proliferation of suntan centres equipped with the new style UVA sunbeds that have opened up in the past 18 months in hairdressers, beauty salons and health hydros all over the country.

How do these new UVA sun machines differ from the conventional sunlamps that have been around for many years?

Using a sunlamp to help you go brown used to be a rather unrewarding business. Great care had to be taken to limit exposure times—you started with about a minute and slowly worked up to 10 minutes, watching your skin carefully for any sign of a burn. And when you'd had a course of 10 or 12 treatments there was very little colour in your skin to show for all your trouble. True, once you were in the sun you did brown quickly and you did not burn, but the lack of instant colour was a let down.

Roger Taylor

Just the jewellery to set off a tan is this spectacularly eye-catching set made by a small company in Suffolk called Her Mine. All of it is resin gilded in 22 carat gold. Though large and bold the jewellery is exceedingly light to wear.

The bangle, stunning earrings and necklace (which besides the gilded resin shapes has green, or red or orange, beads interspersed between the shapes), can be bought for £29.30 the set. Separately the bangle is £8, the earrings £9, the necklace £18 (add 75p for postage and packing regardless of the size of the order). Buy it direct from Her Mine, Clint Farm, Eye, Suffolk.

The difference with today's sunlamps is in the type of burners. Old style sunlamps had quartz or mercury vapour lamps that emitted almost the entire range of the ultra-violet spectrum: this included the short wave, burning UVB and UVC rays as well as the long wave, non-burning UVA rays. The new style machines (usually built as sunbeds which you lie on) are fitted with special intensive radiation tubes that produce only the long wave non-burning rays.

The benefits are twofold. First because the short UVB and UVC rays which cause the burning and skin damage have been screened out, you can have much longer exposure on the new beds—30 minutes or longer is recommended. Secondly, the new machines do give colour to the skin and you can go brown without going red in the process.

How does the colour develop? Tanning results from a process inside the skin brought about by the action of the ultra violet rays. The theory on which the new sunbeds work is that if large enough outputs of UVA rays are used on the skin, the burning UVB rays become unnecessary for triggering off melanin or tanning cell production.

It is important to remember that the skin's melanin content varies from one person to another and that it takes much longer for a fair skin to get a tan than it does for the darker skinned person. These new machines are not only a boon for people with fair sensitive skins but also useful for those with darker skin for preparing the skin for the holidays and for helping to preserve your tan once you are back home.

How much will UVA sunbed treatments cost? Because the new equipment is still costly for the sun centre — most of the UVA machines are German and can cost over £3,000 to buy—the treatments are not cheap. For people living in London there are two newly opened centres devoted exclusively to UVA tanning. The Uvasun salon in Albemarle Street is luxuriously decorated and staffed with bronzed, track-suited attendants and they charge £28.75 for an all-over tanning session. They recommend five one-hour treatments for a deep tan which would cost £143.75.

The other centre is called Brownies in Foubert's Place near Oxford Street. There, a 45-minute session costs £6 and 10 treatments about £50.

Generally prices at most UVA sunbed centres seem to vary from about £6 an hour to £25 an hour but a lot depends on the area, and facilities offered such as showers, changing rooms and so on. Keep an eye on your local newspaper and Yellow Pages for details of the centre nearest you.

Are there any disadvantages to UVA sun treatments? Even though the intensive radiation principle was developed by German skin specialists for treating certain skin problems such as acne and some types of eczema, most dermatologists acknowledge that any form of machine sun tanning, like natural sunlight, is drying to the skin and is likely to have long term skin ageing effects. However, if you believe that it is impossible to avoid the sun altogether and that you can make the most of its advantages by taking sensible care, a sunbed can be an ally.

ARTS

The Queen Mother

BY WILLIAM PACKER

The Duchess of York by Savely Sorine

Her Majesty Queen Elizabeth The Queen Mother occupies so central a place in our national life that we sometimes need to pinch ourselves to remember that there never was any doubt of her being where and what she is. For constitutional chance gave us, not merely a suitable, but indeed the most perfect of Queens Consort, and we should never stop blessing our good luck. In retrospect she seems almost to have been born to that high position, which she held with instinctive grace and authority, as of right: and it is rather less a matter of lineage, for all that in her own person she takes the Royal Family in a direct line back to the ancient Scottish Kings, to The Bruce and beyond, than of personal, natural quality.

The unremitting public scrutiny to which Royalty has come to be exposed in her lifetime does not in itself explain the peculiar hold she has on us, for her magic would have been potent enough in any age: but it has made it to be demonstrated, recorded and broadcast to an extent never possible before. And so when we come to celebrate this remarkable lady's 80th birthday, it is natural that we should do so, almost as a reflex, through the agency of the photograph.

Two fascinating and enchanting exhibitions, quite independent of each other but hardly unrelated, are to run through the summer, the one at the National Portrait Gallery (until September 28), the other at the Royal Photographic Society's new headquarters at the Octagon in Bath, with versions going in due course to Westminster Abbey, Woburn, Wells Cathedral and to St. Paul's Walden in Hertfordshire. Inevitably the shows overlap somewhat in their material, but they remain more complementary than competitive, and indeed the points of the closest similarity are of particular interest: for it might be the same event or incident, but seen through another's lens, or perhaps other images from the same session, that we are asked to consider. The Portrait Gallery show is augmented by a number of paintings and drawings, the Octagon show purely photographic, more extensive and substantial.

As historical documentary alone, as a collective dossier on the public practice of constitutional monarchy, all this material would be important enough, what with the evidence it presents of launchings and plantings, rallies and inspections, hospitals visited and flats opened, the generality of public concern, interest and encouragement. There is the formal side to the business, the pomp of the Court, the elegance of receptions, theatre-goings, balls and garden parties: and the informal and private, the days off, the racing, fishing, walking.

But it all adds up to so much more than that, for in everything we see of her, the Queen Mother's lively sympathy, interest and enjoyment, her humanity in fact, is never less than shiningly apparent, whether shying a coconut, patting the Irish Guards' wolfhound, nearly as big as herself, or finding a smile for her coachman on her way to her wedding. Most touching of all is the insistent sense of family, especially so in the glimpse we catch (at Bath especially) of that happy Edwardian childhood, so long ago.

She is, has always been, conspicuously photogenic, and photographers of all kinds have responded appropriately. Many of her commissioned portraits in the medium are remarkably beautiful: she has sat to some of the best photographers of the century, from Hoppé and Marcus Adams to Parkinson, and her patronage of Cecil Beaton was spectacularly successful, resulting in some of the most memorable icons of modern Royalty. She has been rather less fortunate in her painters, which is sad, for she has been the most enlightened royal collector of contemporary art since the Regency; and though Augustus John and Graham Sutherland failed to deliver, it is not as though there have not been many other British artists up to the job. But Gerald Kelly put in a thoroughly professional effort, and his two, the small full-length study especially, are amongst the best of the paintings in the Portrait Gallery Show. The Edwardian watercolour by Mabel Sankey is very pretty indeed, and the great surprise is the fine large coloured drawing by Savely Sorine, made around the time of the Royal marriage in 1923.

French Voices

BY ANTHONY CURTIS

The 40th anniversary of the signing of the armistice between France and Nazi Germany was noted on Radio 4 UK in two absorbing documentaries, by Roderick Kedward, produced by Joshua Rozenberg, one on *Petain and the Vichy Regime* (June 17) and the other on *De Gaulle* and *French Resistance* (June 24). We heard again such well-worn tracks as the Dunkirk bulletin on the Home Service and De Gaulle's appeal to his countrymen to continue the war (the original of which was not recorded!), Churchill's rousing broadcast in French, but these were all in the light of much that was fresh or unfamiliar which had emerged during the research on the programmes. It included interviews with former members of the Resistance, the SOE, and and ordinary French people who had lived through the Occupation.

Both programmes revealed how much remains that is highly controversial. Enigmas still surround the role of Pétain and of De Gaulle during this period. It is possible even now to find staunch supporters of the Marshal as the saviour of France and, more easily, denigrators of the General for the egomaniac style in which he personified the Free French movement and the unilateralism with which he conducted it.

The former Wimbledon tennis champion Jean Borotra was one of those whose loyalty to Pétain has remained unshaken and he spoke in tones charged with emotion of his period as Minister of Sport in the Vichy Government. One speaker who lived through the period as a schoolgirl remembered having to compare Pétain in an essay to Joan of Arc.

For the programme on the Resistance much of the material was contained in the BBC's own archive and some of the witnesses, members of its staff. The BBC's role was also not without controversy. Chamberlain had tried to deny De Gaulle access to the BBC to make his first broadcast, but this had been over-ridden by Churchill. One French speaker remembered having to go to the BBC to complain to Colonel Gielgud about the withholding of certain information in broadcasts to France and not getting much change out of him. Britons who played their part in the Resistance and who have since become experts on it, M.R.D. Foot, Frida Knight and Catherine Gavin, joined in to give their interpretation of events that puzzle historians. Clearly the last word on this period of French history has not yet been written. Some crucial documents, those of Pétain for instance, are still not available for scholars to inspect.

During the Occupation ordinary life of a kind went on. People in Paris continued to patronise the theatre and one of the playwrights whose work they saw being performed was that of Jean Anouilh who celebrates his 70th birthday this year. His *Antigone* must have made an extraordinary impact in Paris in 1944. It could have been seen either as a celebration of the spirit of the Resistance in the person of its heroine or as an apologia for repression through the persuasive arguments which Anouilh put into the mouth of her uncle Creon in his great confrontation with her.

Anouilh had begun to make his name in Paris before the war with some romantic plays directed for Georges Pitoeff and it was the most famous of these, *A Traveller Without Luggage* in the translation by John Whiting which was revived this week as the Monday Play (Radio 4 UK, June 23) in honour of the anniversary. The plot which is similar to that of a number of plays and novels written after the first war shows a young man shell-shocked to the point of complete amnesia trying to rediscover his real family after 18 years in an asylum. He is completely articulate and alert but he has a total blank about the past.

In a long slow ironical burn, the playwright unfolds his story before he joined the army, making him encounter again all the people whose lives he wrecked: the friend he maimed for life, the maid he seduced, the brother he betrayed, and above all the brother's wife with whom he had a passionate love-affair. It is a catalogue of mounting horror that by the end becomes so unbearable that he repudiates it entirely. The piece still holds interest from the opening scene especially when you have people of the calibre of Flora Robson and Mary Ellis mothering the young man, trying to make him again the person that he was.

Geoffrey Beevers played him as being in a state of continual *shock; Brian Haines and Jane* Asher were both strong as the all too intimate relations. Graham Gauld directed.

A Life-line for Halifax

BY GILLIAN DARLEY

Halifax is a superbly well-endowed town; its site, medieval core, 18th century set piece architecture and its Victorian civic and philanthropic splendours put it in a very special bracket. Yet the miserable truth is that Halifax has been battered by a disastrous sequence of grandiose plans, conceived with a crass insensitivity and an historic and architectural illiteracy astonishing in people trained in the skills of design and planning.

Such a thumb-nail portrait would, of course, fit many another town. It is those that escaped "the treatment" that have rarity value. However the application, just a year or two ago, for the demolition of an area of mediaeval buildings known as the Woolshops, in order that they could be replaced by an Arndale Centre (a genre never notable for its finesse of design) prompted the Halifax Civic Trust, the local amenity society, to seek outside help in their battle for the remnants of the town. The result is a report, Halifax, the case for Conservation* published by the joint committee of national amenity societies—their first such venture after a similar report on the City of London, Save the City.

The spire of All Souls, Haley Hill

The report is a positive document. Although it chronicles the sad disintegra*tion of the town centre through* blight, delay and uncertainty it concentrates on what is there, and what can best be done. The local authority has no qualified conservation officer on its staff, and there is no avenue for special funding. If a Town Scheme were instigated (a partnership between local and central Government) every £1 from the local council could raise £8 from elsewhere. A levy on the rates (as instigated in Chester) or even a municipal lottery could assure generous funds. A revolving fund, *after* initial capital outlay, could be self-sustaining. These and other possibilities exist; other towns have found imaginative ways to sustain their fabric without resort to heavy extra demand on strictly limited public finance.

The extraordinary *thing* about the Halifax tale is that it bsi gnie ot ld —' .: *it is being told in 1980; despite* the inadequacy of its lists (another priority is a revision of these), 15 listed buildings have been threatened with demolition in the centre of Halifax within the last four years. The restored and triumphant Piece Hall, a building now uniqe both historically and architecturally, and Halifax's gesture towards European Architectural Heritage Year in 1975, served to deflect attention from the parlous state of buildings everywhere around it. Halifax knows about conservation, but it has tasted little of the benefits of a wisdom that most towns have learnt of necessity in the last decade.

Of course, Halifax has the headquarters of the Halifax Building Society, a massive, confident, building erring in its site rather than in its architecture, and it has, still, a delightful area of arcades, mixed shops and, one of its real glories, a superb Victorian glazed covered market. *With its sets of Victorian* buildings left by the two rival manufacturing families, the Crossleys and the Akroyds, it still has many of the masterpieces of 19th century industrial philtanthropy within a small compass. All Souls, Haley Hill, commissioned by the Akroyds from George Gilbert Scott and its architect's own favourite among his works stands above the town, in dire need of restoration.

This report on Halifax should promote activity. The words, and sensible suggestions, must be followed by positive moves; *as the authors write: "To destroy is not only to waste* precious resources, but to rob future generations of the *enrichment of past ages."* Outside support is there; Halifax, its confidence battered by the problems of the textile industry, its fabric picked to pieces by neglect and ill-considered development, is a victim of circumstances. It deserves better; it is action now, or never.

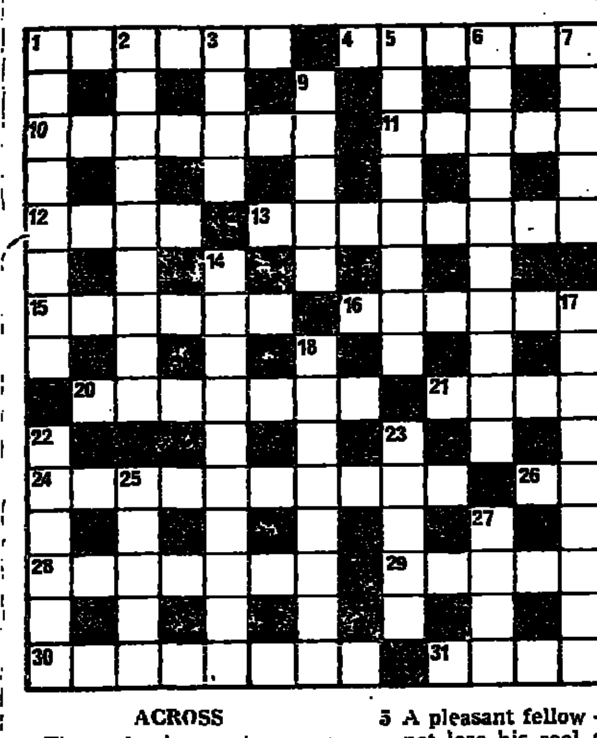
"Halifax, the case for conservation." £1.25 (plus 30p p and p) from the SPAB, 55, Great Ormond Street, London, WC1.

F.T. CROSSWORD PUZZLE No. 4,309

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



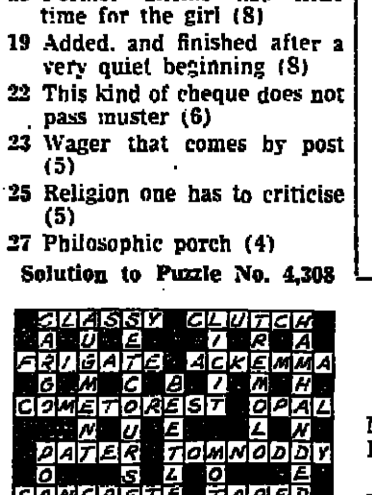
ACROSS

1 The god takes a chopper to the chest (6)
4 Backbone inside masters automata (8)
10 Dismissed with anger — it's gross injustice (7)
11 Upside down put poetically (7)
12 A piece of news found in one's favourite media (4)
13 Disclosure which gives the vicar high spirits (10)
15 Compensation returns to the draughtsman (6)
16 Miscellaneous collection of scrap in the Portuguese airport (7)
20 Infidel among the Athenian sophists (7)
21 Please turn to the unconscious (6)
24 Divided like Caesar's Gaul (10)
26 Reflect upon a goddess (4)
28 You must change your mind about "I'm the greatest" in Kenya (7)
29 Notice a grasshopper? The girl did (7)
30 *Cures for engineers with* strange side effects (8)
31 Cardinal distinction may cause detestation (6)

DOWN

1 Wherein the ditherers find themselves (3, 5)
2 Ready for bribes like feeding fish (2, 3, 4)
3 A nurse always expressing surprise (4)
5 A pleasant fellow — he does not lose his cool (1, 4, 3)
6 Be infatuated — take a fruit drink (4, 1, 5)
7 Speed up the motorway with a famous athlete (5)
8 Coils of fowl on the wing (6)
9 Horizontal instruments (5)
14 Held back the melody in a musical instrument (10)
17 Faces bankruptcy like the diver (4, 5)
18 Former airline has little time for the girl (8)
19 Added, and finished after a very quiet beginning (8)
22 This kind of cheque does not pass muster (6)
23 Wager that comes by post (5)
25 Religion one has to criticise (5)
27 Philosophic porch (4)

Solution to Puzzle No. 4,308



TV/Radio

÷ Indicates programme in black and white

BBC 1

9.05 am The Banana Splits. ÷9.35 Champion. The Wonder Horse. 10.00 Feeling Great! ÷10.10 "Hit the Ice" starring Abbott and Costello. ÷11.30 "Always Leave Them Laughing," starring Milton Berle and Virginia Mayo. 1.20 pm Foghorn Leghorn. 1.27 Weather.

1.30 Wimbledon Grandstand: Canoeing (1.35) Nottinghamshire International Regatta: Alka-Seltzer Olympic Seven: Wimbledon (1.50, 3.20); *Irish Sweeps Derby (3.05)*; 5.50 Final Score.
6.00 News.
6.10 Sports/Regional News.
6.15 What's On Wogan?
7.00 Saturday Night at the Movies: "Ocean's 11" starring Frank Sinatra, Dean Martin, Sammy Davis Jr., and Angie Dickinson.
9.05 Knots Landing.
9.55 News.
10.05 Telford's Change.
10.35 Boxing: Flyweight Championship of Europe.
11.35 Saturday Night at the Mill.

All Regions as BBC1 except as follows:—

BBC Cymru/Wales — 10.10-1.30 pm Golf and Cricket: Golf: Coral Welsh Classic from Porthcawl; Cricket: Glamorgan v. West Indies. Between 1.30-6.00 (Grandstand) Golf and Cricket. 6.10-6.15 Sports News Wales. 12.25 am News and Weather for Wales.

Scotland—12.25 am News and Weather for Scotland.

Northern Ireland—6.10-6.15 pm Northern Ireland News: Sport. 12.25 am News and Weather for *Northern Ireland.*

England—6.10-6.15 pm (South West only) Saturday Spotlight.
7.40 am-1.55 pm Open University.

BBC 2

2.00 pm Wimbledon.
7.20 News and Sport.
7.35 Open Door: The care of the elderly in Merseyside.
8.05 Dance Month: Portrait of Natalia Makarova.
8.55 Return Call to Brass Tacks.
9.05 Wimbledon highlights.
9.55 Greyhound Racing: The Spillers Golden Jubilee Greyhound Derby: The BBC2 Chase.
10.30 Horror Double Bill: ÷"Night of the Demon" starring Dana Andrews.
12.00 News Headlines.
12.02 am "The Ghoul" starring Peter Cushing.

LONDON

8.55 Sesame Street. 9.55 Super Friends. 10.30 Fun Factory.
12.30 pm World of Sports: 12.35 International Sports Special (Part 1) Cycling—The Tour de France plus Shooting from Bisley and Australian Pools Check: 1.15 News; 1.20 The ITV Seven—1.30, 2.00 and 2.30 from Newmarket: 17.45, 2.15 and 2.55 from Newcastle; 3.15 The Curragh — Irish Sweeps Derby: 3.25 International Sports Special (Part 2) Speedway—World Pairs Final from Krsko, Yugoslavia: 4.00 Wrestling: 4.50 Results Service.
5.05 News.
5.15 Cartoon Time.
5.30 Return of the Saint.
6.30 Rock with Laughter.
7.00 240-Robert.
8.00 Mind Your Language.
8.30 From Here To Eternity.
9.30 News.
9.45 Broadway Takes A Bow—the 34th annual Tony awards from New York.
10.50 "Castle of Evil" starring Scott Brady and Virginia Mayo.
12.20 am Pro-Celebrity Darts.
12.50 Close: Personal choice with Rita Tushingham.

All IBA Regions as London except at the following times:—

ANGLIA

9.20 am Fantasy Island. 10.10 Fangface. 5.30 pm Mork and Mindy. 6.00 Sale of the Century 7.00 Return of The Saint 10.50 SOAP. 11.20 Musical Special: Jazz pianist Oscar Peterson and guests. 12.20 am At the End of the Day.

ATV

9.10 am Invasion Road 9.35 The Television Programme. 10.00 Bailey's Bird. 5.15 pm The Great Cartoon Stars. 7.05 B J and the Bear. 10.50 Lifeline. 11.50 *Police Surgeon*

BORDER

9.10 am Invasion Road. 9.35 The Television Programme. 10.00 Untamed World. 7.05 pm BJ and the Bear. 10.50 Afloat. 11.20 Westside Medical.

CHANNEL

5.15 pm Puffin's Pla(i)ce 5.18 Cartoontime. 7.00 BJ and the Bear. 10.50 Pro-Celebrity Snooker. 11.35 The Electric Theatre Show.

GRAMPIAN

9.20 am The Beachcombers 9.45 Cuir Car 10.15 Cartoon Time 7.00 pm Chips. 10.50 Police Woman 11.50 Seachd Laithean 12.05 am The Odd Couple. 12.30 Reflections.

GRANADA

9.30 am Invasion Road. 10.00 Cartoon Time. 10.05 Batman. 7.00 pm Saturday Night at the Movies: "Mister Jerico." 10.50 Celebrity Concert. 11.50 For Adults only: "Anatomy of a Murder," starring James Stewart.

HTV

9.15 am The Television Programme. 9.40 Getting On. 10.05 Fangface. 5.15 Spiderman. 7.00 pm Chips. 10.50 The Electric Theatre Show. 11.20 Vegas. 12.10 am The Entertainers.

HTV CYMRU/WALES—As HTV West/HTV General Service except: 6.30-7.00 pm Sion A Sian.

SCOTTISH

9.10 am Invasion Road. 9.35 Build Your Own Boat. 10.00 Sam. 7.00 pm Chips 10.50 Late Call. 10.55 SOAP. 11.25 S.W.A.T.

SOUTHERN

9.00 am Sesame Street. 10.00 Fangface. 10.27 Regional Weather Forecast. 5.15 pm Trevor Baker's All-Weather Show. 6.00 Return of The Saint. 10.50 Southern News 10.55 The One and Only Phyllis Dixey.

TYNE TEES

9.00 am Saturday Shake-up. 9.05 Tarzan. 9.55 Saturday Shake-up. 10.05 Moby Dick and the Mighty Mightor. 10.30 Saturday Shake-up 10.50 Saturday Morning Movie: "Steel Town," starring Ann Sheridan and John Lund 12.20 pm Saturday Shake-up. 12.25 Check it out extra. 5.15 Popeye. 7.00 A Man Called Sloane 8.00 Sale of the Century. 10.50 "Code Name Diamond Head" (TV Movie). 12.20 am Sounds of . . . Guys and Dolls. 12.35 Three's Company.

ULSTER

9.35 am Invasion Road. 10.00 Cartoon Time 10.15 Larry the Lamb. 7.00 pm Charlie's Angels. 9.44 Ulster Weather. 10.50 Sports Results. 10.55 Celebrity Concert (Jack Jones).

WESTWARD

9.30 am Target the Impossible. 9.55 Look And See 10.00 Rocket Robin Hood. 10.25 Gus Honeybun's Birthdays. 12.27 pm Westward News. 5.16 Westward News. 5.18 Cartoontime. 7.00 BJ and the Bear. 10.50 Pro-Celebrity Snooker 11.35 The Electric Theatre Show. 12.00 Faith For Life. 12.05 am West Country Weather and Shipping Forecast

YORKSHIRE

9.00 am Spiderman. 9.15 Beachcombers 9.40 Man from Atlantis. 7.00 pm "Living Free," starring Susan Hampshire and Nigel Davenport as Joy and George Adamson. 10.50 Vegas.

RADIO 1

5.00 am As Radio 2. 7.00 News 7.03 Playground. 8.00 Tony Blackburn with Junior Choice 10.00 Peter Powell Roadshow Special. 1.00 Steve Wright (S) 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Rock on Saturday (S). 7.30-6.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.02 Tony Edwards (S). 8.06 David Jacobs with Star Sounds (S). 10.02 Pete Murray's Saturday Show (S) 1.02 pm Punch Line. 1.30 Sport on 2: Tennis: Wimbledon (1 30, 2 00, 3 00, 5.55) Rugby (1 30, 2.00, 3.00, 5 00) South Africa v. British Lions: Third Test; Racing (1.30, 2.50, 5.00) Newcastle: plus news of the Irish Derby: News of boxing, golf, cricket, motor racing, motor cycling, cycling: 5.45 Racing results. 7.02 Three in a Row. 7.30 Sports Desk. 7.33 BBC International Festival of Light Music (S). 8.30 Big Fight Special: World Middleweight Championship. 10.30 Sentimental Journey (S). 1.02 Sports Desk. 11.15 Bob Kilbey with The Late Show (S), including 12.00 News. 2.02-6.00 am You And The Night And The Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 I Know Wat I Like (S). 1.00 pm News. 1.05 *Early Music Forum (S). 2.00 Play It Again* (S). 5.00 Jazz Record Requests with Peter Clayton (S). 5.45 Critics' Forum. 6.35 The Organ Works of J. S. Bach (S). 7.10 BBC Northern Symphony Orchestra (S). 8.30 A Portrait of Jussi Bjorling (S). 9.30 Emil Gilels Piano Recital, part 1 (S). 10.10 Shore Dances (short story). 10.25 Emil Gilels, part 2 (S). 11.00 News. 11.05-11.15 Berkeley (S).

RADIO 4

6.25 am Shipping forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully 7.50 It's A Bargain. 7.55 Weather, programme news. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 8.59 Continental travel. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of The Week (S). 11.35 International Assignment 12.00 News. 12.02 pm Keeping Track (S). 12.27 The News Quiz (S). 12.55 Weather, programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping forecast. 2.00 News. 2.05 Wildlife. 2.30 Little Dorrit (S). 3.25 Join Radio 3. 5.00 You Said It. 5.25 Week Ending (S). 5.50 Shipping forecast. 5.55 Weather, programme news. 6.00 News. 6.15 Desert Island Discs with General Sir John Hackett. 6.55 Stop The Week with Robert Robinson. 7.35 Baker's Dozen (S). 8.30 Saturday Night Theatre (S). 9.45 A Sideways Look At . . . 9.58 Weather. 10.00 News 10.15 The Countryside in Midsummer. 11.00 Lighten our Darkness. 1.15 The Magic of Music (S). 12.00 News.

BBC Radio London

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News, weather, traffic, sport. 8.15 Weekend What's On. 8.30 Bob Powel's London Country. 10.03 Stuart Colman's Echoes. 11.30 The Robbie Vincent Show. 2.00 pm Time Off. 3.00 David Carter's Summer Show from Hillingdon. 6.00-6.00 am Join Radio 2.

London Broadcasting

7.00 am AM—Des Fahy. 10.00 Jellybone. 12.00 LBC Reports. 1.00 pm Sportswatch—Dominic Allan. 6.00 LBC Reports. 7.00 Geet Mala. 8.00 The State of War (part 3). 9.00 The London Interview—Val Bethell interviews Cosmos Desmond, director of Amnesty International. 10.00 50th Spillers Greyhound Derby at White City. 10.30 David Simmons—Nightline. 1.00 am Night Extra. 5.00 Morning Music.

Capital Radio

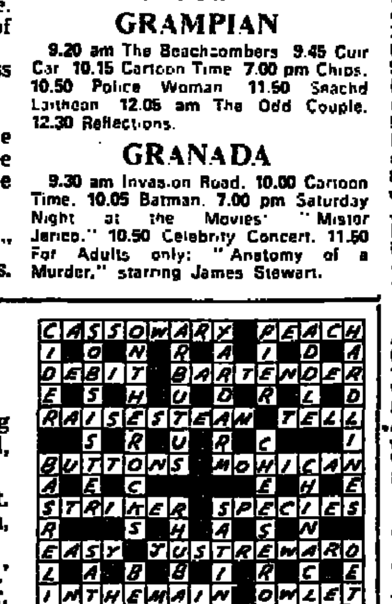
6.00 am Breakfast Show with Adrian Love (S). 9.00 Capital Countdown with Peter Young (S). 12.00 Kenny Everett (S). 3.00 pm Afternoon Delight with Mike Allen (S). 5.00 Greg Edwards's Soul Spectrum (S). 8.00 David Rodigan's Roots Rockers (S). 9.00 Nicky Horne's "Six of the Best" (S). 12.00 After Midnight with Peter Young (S). 4.00 am The Collection (Classical Music). (S).

SOLUTION AND WINNERS OF PUZZLE NO. 4,303

Mrs. J. R. Gilbert, 101 Epping New Road, Buckhurst Hill, Essex.

Mr. L. J. Benjamin, 5B St. Michael's Terrace, Wood Green, London, N.22.

Mrs. L. Stevens, 'Chadmead,' 389 Burnley Road, Cliviger, Nr. [illegible]y, Lancs.



TV RATINGS w/e June 22

UK TOP TWENTY (viewers m)

1	Coronation St. (Wed.) (Gran.)	13.95
2	Coronation St. (Mon.) (Gran.)	13.70
3	Starsky and Hutch (BBC)	12.45
4	The Krypton Factor (Gran.)	11.60
5	Winner Takes All (Yorks.)	11.50
6	Rock With Laughter (Yorks.)	11.20
	Mixed Blessings (LWT)	11.20
8	Taxi (BBC)	11.15
	From Here To Eternity (ITV)	11.15
10	Crossroads (Tue) (ATV)	11.00
	Knots Landing (BBC)	11.00
12	Breakout (ITV)	10.95
	The Magnificent Seven (BBC)	10.95
14	The European Football Championships: Spain v England (Wed.) (ITV)	10.90
	That's Life Report (BBC)	10.90
16	The Mallens (Gran.)	10.75
17	The Intermecine Project (BBC)	10.65
	The Return Of The Saint (ATV)	10.65
19	Wonder Women (BBC)	10.55
20	The Other 'Arf (ATV)	10.50

Figures prepared by the Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

CHESS SOLUTIONS

Solution to Position No. 326

1...K-R4; 2 QxN (else N-K5 ch), P-R8=N mate.

Solution to Problem No. 326

1 Q-KN7. If 1...K-B3; 2 P-B5, KxP; 3 Q-QB7 mate. If 1...K-Q3; 2 N-N5 ch, K-K3; 3 N(2)-Q4 mate. If 1...KxP; 2 Q-Q4 ch, K-N6; 3 Q-N4 mate.

COLLECTING

Before Black and Decker

BY JANET MARSH

Painted coachbuilder's chest sold at Christie's, South Kensington on February 14 for £1,400

IN LITTLE more than a year since Christie's South Kensington held their first major auction devoted entirely to the tools of the Carpenter and Allied Trades, such sales have become a regular feature in salerooms both in London and the provinces—testifying to the fast-growing popularity of this field of collecting.

The attractions of woodworking tools are manifold. Wood and woodcraft are particularly close to us in history and tradition. Until the late 19th century when the development of the Industrial Revolution brought increased and finally dominant use of metal, wood was the most important material for all aspects of daily life.

The majority of craftsmen were, in one way or another, woodworkers; and every tiny village would have its joiners, its wheelwright, its cart-maker and its cooper. Houses and furniture, carts and carriages, tools and implements, domestic apparatus and utensils, barrels, boxes and containers of all sorts were made of wood. Whether in folk memory or in the objects around us, the age of the woodworker is not yet far from our experience.

In consequence, antique woodworking tools are still plentiful. Moreover, they are—at least the best of them, if they are still in restorable condition—entirely usable. Of course, a Black and Decker with all its accessories is easier and faster than a 100-year-old brace and bit or moulding plane, but there is not half the satisfaction in using it. Moreover, there are many old tools devised to do specific jobs that have simply no equivalent today.

Users of old woodworking tools insist that, even when modern equivalents are available, new tools can rarely rival their finely-crafted ancestors for their performance. Whatever the technological improvements in the preparation and tempering of steel, they insist, an old chisel or iron will still provide a finer edge, keep it longer, and cut more sweetly.

People who prefer to use antique tools—perhaps moulding planes or drill bits made and bought 150 years ago and still perfectly serviceable—are on the increase, and, it seems, rarely reconvert to modern machine working. The quietness alone, say some of them, is worth any extra effort involved.

Users of old tools make up only part of the new collecting market. The archaeological fascination of old carpentry tools is immense. Some tools—axes and adzes, saws and planes and chisels—have hardly changed since Roman times, though the crank movement of the brace was not discovered in Europe until the 15th century. Pre-18th century tools are extremely rare hard to date (except where incontrovertibly inscribed) and likely to be costly.

Tools from the 18th century onwards are plentiful, though those most likely to be encountered are the moulding planes designed in large variety to shape the edges of wooden furniture. Such planes really only came into wide use with the general introduction of the more readily workable mahogany for furniture-making at the start of the 18th century.

Most such planes are stamped with the maker's name, and the first toolmaker whose signature is certainly identifiable is Robert Wooding, who was in business in Cheapside in the first decade of the 18th century. A Wooding plane is a choice, though now quite costly, accession to any collection, as indeed are the work of his apprentices William Cogdell and John Jennion, and Thomas Phillipson and Robert Fitkin, the apprentices of Wooding's widow.

Apart from the basic tools, here is an almost infinite variety of tools for cutting, smoothing, measuring, boring; and tools devised for every trade, to keep every collector happily busy. Age is itself no criterion of value. Eighteenth century moulding planes can be bought for a very few pounds, while some of the most costly and most desirable tools are the superbly crafted metal planes made, well into this century, by Spiers of Ayr and Norris of London—the Guarneri and Stradivarius of English tool makers.

With enthusiasm for collecting, scholarship also grows. The basic books on the subject are R. A. Salaman's *Dictionary of Tools* and W. L. Goodman's *British Plane Makers*, which lists all recorded makers' marks. Philip Walker's new pamphlet *Woodworking Tools* (Shire Publications, 75p) is a handy introduction.

Ken Roberts, an American enthusiast, has contributed immeasurably to scholarship and to the collector's bookshelf by seeking out old manufacturers' catalogues and reprinting them carefully, with scholarly commentaries. He has, for instance, reprinted the catalogues of the Spiers and Norris firms, which reveal that in the 'twenties a Norris smoothing plane cost 48s 6d—more than the average wage for a joiner.

Mr. Roberts has also reissued all the catalogues of the Stanley Tool Company which in the early years of the century bought a new ingenuity and sophistication to metal woodworking tools. The Stanley '55,' for instance, by the use of a whole range of interchangeable blades, relieved the woodworker of maintaining a stock of 50 or more individual wooden moulding planes. (The purist still prefers the wooden variety, all the same.)

In London, the biggest specialist stock is kept by Tony Barwick, of Upper Street, Islington, who is phenomenally patient in giving help and advice. Outside London, East Anglia is for some reason the centre of the old tool trade.

In Needham Market, for instance, you can find Roy Arnold and Philip Walker, each with a fine stock, as amicable close neighbours. *The Woodworker* magazine carries occasional articles on antique tools, as well as information on forthcoming auction sales.

McEnroe stretched to five sets

TENNIS

JOHN BARRETT

JOHN McENROE, the No. 2 men's seed, came close to elimination in the second round at Wimbledon yesterday when he was stretched to five sets, and almost beaten in four by Terry Rocavert, a 25-year-old Australian who is ranked only 19th in his own country.

McEnroe's margin of victory in a match which lasted three hours 50 minutes on Court 3, which gave some bad bounces, was 4—6, 7—5, 6—7, 7—6, 6—3. McEnroe, who admitted he had not played well, added "It's tough on those outside courts."

The match had been suspended overnight at 2—2 because of rain, and though Rocavert arrived at Wimbledon only 15 minutes before he was due on court because of a transport mix-up, he showed little sign of nerves, at least in the early stages, as he took that first set.

In the second set, McEnroe who was bothered by the noise from spectators massed around the court, was warned by the umpire, George Armstrong, for unsporting conduct when he slammed a ball into the net in anger.

Rocavert faltered for the first time in the 12th game, serving a double fault and presenting McEnroe with a set-point which the American accepted with a superb service return backhand.

When McEnroe swept through the opening three games of the third set, he seemed on schedule for a comfortable win, but Rocavert pulled level at 5—5 with two service breaks and took the tie-break by seven points to four.

Again McEnroe jumped into an early lead in the fourth set, only to be overhauled and taken to another tie break. But this time he captured it easily as Rocavert's volleying skills and serving strength suddenly deserted him, and once McEnroe had broken through again in the sixth game of the final set the victory was a formality.

Bjorn Borg, the defending champion, ended the hopes of Israel's Shlomo Glickstein on Court One, but had to fight hard for his 6—3, 6—1, 7—5 victory. Glickstein was not at all intimidated, taking some neat points with volleys. Many games in the third set went to deuce and, Glickstein kept his nose in front until he was broken in the eleventh game, and Borg served out comfortably for the match.

Men's seeds, Roscoe Tanner (5), Gene Mayer (6), Peter Fleming (7) and Victor Pecci (8) all moved into the third round without undue trouble, though Fleming dropped a set to the Czech Stanislav Birner and Tanner had more severe opposition than he would have wished from a qualifier John Fitzgerald (Australia), in another match left uncompleted overnight.

Ilie Nastase was also in vigorous form in another unfinished match on Court One against Dick Stockton of the U.S. Though Stockton had led by two sets to one, Nastase took the fourth and final sets comfortably to win 4—6, 6—2, 5—7, 6—2, 6—2.

As he returned to the dressing room, Nastase was involved in an incident with a reporter attempting to question him about stories of his impending divorce. The journalist was pushed, and his spectacles were broken.

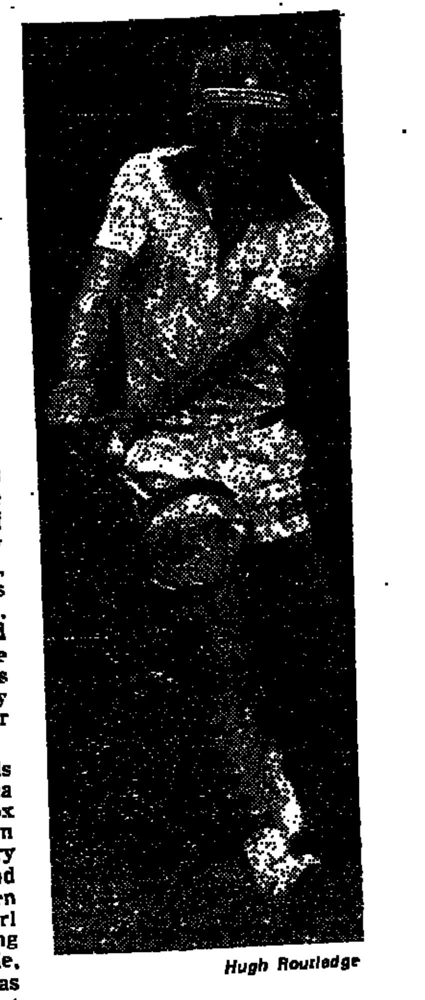
Once again the British challenge failed to survive the second round. Andrew Jarrett was swept aside by Mayer 6—4, 6—4, 6—1, and Buster Mottram lost a marathon five-setter against Nick Saviano, a left-handed Californian, by 6—7, 7—6, 6—3, 4—6, 13—11.

Mottram's attempts to win Saviano's service were frustrated in the long final set by the American's swiftness about court, and it seemed merely a question of time until the British No. 1 slipped. Sure enough he dropped serve in the 23rd game, when he floated a forehand volley beyond the baseline and Saviano served out for the match without conceding another point.

In contrast to the men's field, there was much havoc among the women's seeds and four crashed to defeat in the second round. Among them was Britain's Sue Barker, whose game was full of errors and disappointment, as she lost eight successive games from leading 5—4 in the second set, after taking the first, and was beaten 3—6, 7—5, 6—2, by Betty Ann Dent.

The other seeds to go out were Virginia Ruzici (12) Regina Marsikova (15) and Sylvia Hanika (16). Romania's Miss Ruzici fell to Joanne Russell (U.S.), an experienced but not previously notably successful competitor, 6—2, 3—6, 6—4; the Czech Miss Marsikova was beaten 6—2, 3—6, 6—1 by the 10th ranked Australian Sue Saliba; and the West German Miss Hanika was edged out in a long third set by the tall American Pam Shriver 6—3, 1—6, 9—7.

The top three women's seeds all advanced easily. Martina Navratilova beat Rayni Fox (U.S.) 6—1, 6—1; Tracy Austin knocked out Nerida Gregory (Australia), 6—1, 6—2; and Chris Evert Lloyd was even more severe on the Swiss girl Christiane Jolissaint, routing her 6—0, 6—1. Virginia Wade, too, was in commanding form as she beat Helene Anliot (Sweden) 6—1, 6—3.



Hugh Routledge

BJORN BORG . . . made to fight

Championship matches for senior citizens

GOLF

BEN WRIGHT

THE TRAGEDY of the inaugural U.S. Senior Open Championship, which will be concluded tomorrow over the East Course of Winged Foot Golf Club, Mamaroneck, New York, is that the sponsoring United States Golf Association stuck with its tradition and made the qualifying age 55, and not 50. And so a most interesting and praiseworthy event was deprived of Arnold Palmer, the man who should have been the main attraction. Don January, palpably the best 50-year-old golfer in the world today, and Mike Souchak, who chased January home, albeit unavailingly, in the inaugural PGA Tour Senior Tournament last Sunday in Atlantic City. But I am sure the USGA, which has been sternly criticised from all quarters for its decision to make 55 the qualifying age, will reconsider both this controversial point and also another very important factor, the banning of motorised carts.

Readers of this column will appreciate how much it hurts me to concede anything to the dreaded cart, but it has been dangerously hot and humid at Winger Foot for some of the older sweet swinging stars of yesteryear. I use the latter phrase advisedly because my late and much lamented golf writing colleague and friend Jack Wood once used it to describe Sam King, the charming man from Kent who was runner-up to the American Paul Runyan in the first two World Senior Professional Championships in 1961 and 1962, only to be considerably embarrassed the following day, and subsequently pursued by King. Unfortunately for Wood, King was described in print as a "street singing star of yesteryear," and the calm, pipe-smoking Sam was not amused.

The late Ronald Teacher of Scotch whisky distilling fame first sponsored the British PGA Senior Professional Tournament and its winner's play-off against his American counterpart for the World title, and continued doing so until 1969, when the Pringle knitwear company took over. Ben Sayers and Allied Hotels took over in 1975, only to be replaced as sponsor in 1977 by the Cambridgeshire Hotel. It is to be hoped that the Royal and Ancient Golf Club of St. Andrews will take a leaf out of its counterpart's book, and institute an official British Senior Open as soon as possible.

It is quite clear that senior golf is on the up and up, helped in no small part by the extraordinary performance here of the legendary and much loved Argentine Roberto de Vicenzo and his partner Julius Boros—who are both competing at Winged Foot—in winning the "Legends of Golf" tournament at Onion Creek in Austin, Texas last year. A massive nationwide television audience watched spellbound as de Vicenzo and Boros beat Tommy Bolt and Art Wall jun. in a six hole, anything but sudden death play-off, the most sensational aspect of which was the Argentine's six straight birdies in this fourball betterball contest. Bolt and Wall came back to win the event this year in almost as exciting a finish on television, in which they prevailed against January and the 67-year-old Sam Snead, who was unfortunately forced to pull out of the Winged Foot event by an ailing back.

The incredible Snead won the World Senior Professional Championship 36 holes matchplay final no less than five times, his victims being Syd Scott, beaten by seven and six at Formby in 1964, Charlie Ward, beaten at the 37th hole at Formby in 1965, Max Faulkner, beaten by three and two at Bide-a-Wee Country Club in Portsmouth, Virginia in 1970, Ken Bousfield, beaten by three and two at Longniddry in 1972, and Australian Kel Nagle, who took Snead to the 41st hole in Portsmouth, Virginia in 1973.

Goodness knows I wish I had seen that one. I was fortunate enough, however, to have witnessed Snead's solitary defeat at the hands of John Panton, the first and only British winner, at Wallasey in 1967, when the canny Scot was the victor by three and two on the eve of de Vicenzo's Open Championship triumph down the road at Hoylake. In passing I have to say that Wallasey is one of the finest and least recognised links courses I ever trod.

On that memorable occasion Panton was quite magnificent, although plainly the underdog. Alas, I forget which par three green with fearsome rough grass behind it. Panton, who had the honour, had been visibly irritated for some time because Snead would peer into his bag every time the Scot took out a club so that he, a stranger to the course, would have some idea of which club to play himself. At the hole in question Panton selected a three iron, and plainly Snead, who was watching him, fashioned a cut up shot. Had the stroke been executed in the normal manner I suspect Panton would have required a five iron at most. The unsuspecting Snead hit his three iron flush in the middle of the blade and watched in some dismay as the ball flew over the green and disappeared into a horrible spot without ever touching the putting surface. Panton allowed himself the luxury of a wee, wry smile and Snead stopped looking in his bag.

It will be interesting to see how the television ratings at Winged Foot this weekend compare with those at the PGA Tour event being played in Memphis, Tennessee, in which Jerry Pate, a popular figure has the lead at 66, followed by the legendary Trevino, among others, while January is just two strokes off the pace, alongside several more golfers at 68.

Whatever happens it is quite clear that there is great public demand to see the older golfers, albeit in their declining years, since they compare so favourably as characters with so many of the faceless and well-scrubbed clones who infest the professional tour straight from college.

At Winged Foot there are five U.S. Open champions on view, Boros, Bolt, Lew Worsham, Ed Furgol and Jack Fleck, three Masters Champions, Wall, Herman Keiser and Claude Harmon, one British Open Champion de Vincenzo, and three USPGA champions. Australian-born Jim Ferrier, Doug Ford and Jerry Barber.

There are 79 professionals and 71 amateurs playing and one of the latter, Bill Trombley from Texas, who regularly competes in 15 senior events annually, shares the lead after the first round on one over par 72. Alongside him are the cigar-chomping veteran black professional Charlie Sifford, the first golfer of his race to emerge from the caddie shed, Ted Kroll, and Mike Petchick.

FISHING

JOHN CHERRINGTON

Welcome, mayfly

FOR THE FIRST TIME for about 20 years the Mayfly returned in strength to my beat of the Test and during the last week of the month the fishing was as it used to be when I first had a rod there. The river was not carpeted with the sort of hatch I remember from the early days but there were sufficient hatching all the time to keep the trout hunting for them.

At this time it seemed to me the trout, in particular the Rainbows, were not keeping to one particular lie but were watching almost the breadth of the river on their lookout for their prey. Also they would look at nothing else, a change from the previous lean years when they did not appear to care what particular fly came over them. They were going to take only a Mayfly, and when they did, the bigger and the bushier it was the better.

And I must here confess that little finesse was needed. On two occasions I caught my limit in less than an hour. On one occasion without moving more than 20 yards along the bank. It was Mayfly time in the classical sense and I and the fish took advantage of it to the full.

But the hatch was not universal. Some beats had them in the mass and others had hardly any and were as dead as a dour river can be. Their return is not yet complete and the cause of the previous disappearance of the fly still not known. They could start diminishing once again.

The common theory was that some time in the late 1950s a strong wind had blown for days, preventing the hatched flies from returning to drop their eggs in the river. This I really find hard to believe. I think there was just one of those cyclical population changes which affect all living creatures in the wild and neither the wind nor the effluent from the new Andover sewage farm, another supposed culprit, had anything to do with it.

And on the subject of populations. I have cautiously to report that there appear to be more salmon in the Wye this year. The water on the beat I was fishing below Monmouth was very low, but there were fish to be seen, and on this particular beat the catch is just twice last year's at the same time.

I actually had an interesting day there with the fly with several offers but no actual take, and eventually landed one on a Devon Minnow taken in very slack water indeed. This one had sea lice on it, or at least what the ex-keeper claimed to be such creatures, and was a very satisfying end to the month. The first salmon I had landed for a couple of years.

There my luck ended. I moved to Scotland for a week and the river on my arrival was at its lowest for, I was told, 40 years. It is a fly river for the most part, and there was hardly enough of a current to draw a fly. As I say, my own luck ended, for I never touched a fish all the week, but my companions were luckier or, perhaps truthfully, more skilful.

Although the river was very low one or two of the pools were holding a few salmon and quite a lot of sea trout which were splashing around with a lot of noise. There was quite a breeze and we tried fishing the ripples and stripping off line as fast as we could to try to make the trout believe they were in a fast current.

We were advised by the ghillie to change our tactics, and use instead a sunk line with very small trout flies and after allowing the line to sink as near the bottom as possible, to strip it in again very slowly. This worked very well, even in broad daylight and the first victim was a 10 lb monster, the first of this size I had seen for years.

By the end of the week we had caught 11 sea trout averaging just over 5 lb and one salmon. Nearly all of them were caught at night and in spite of the river having risen significantly from the same two pools. I don't fish at night, because after supper, old age and the midges inhibit me.

I am particularly interest in this result because it could indicate that the West Coast rivers are experiencing a reappearance of sea trout after some very lean years in which everything from disease to poaching has been blamed for their virtual disappearance. Or is it just that the low water had trapped the sea trout and stopped them escaping into the loch in which they spend the summer. I trust this latter theory is wrong.

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Telephone: 01-248 8000

Saturday June 28 1980

The danger of stagflation

THE BEST that can be said about the present parlous state of the international economy is that at least it shows that the world's leaders are capable of learning from their mistakes. After the chastening they have suffered over the past five years as a result of heeding the reflationary siren calls which followed the 1973 oil crisis, politicians in all the main industrial countries are now battening down the hatches and preparing to sail straight into recession with a grim determination that would have been almost unimaginable 10 years ago.

The trouble with learning from mistakes is that the number and variety of mistakes that can be made is usually inexhaustible. The leaders at the Venice Summit last weekend were unanimous in their determination to put the fight against inflation ahead of all other economic objectives. This was convenient from a political standpoint, because it looks as if inflation is now peaking in every industrialised country. But they carefully averted their attention from the equally clear indications that one country after another is moving into recession, in a synchronised downturn which could make each economy's slump unnecessarily painful, and wasteful of productive resources.

Downturn

The IMF world economic outlook published this week underlined the way that growth prospects have suddenly begun to deteriorate this year, not just in the U.S., but also in Germany, France, Italy and, needless to say, Britain. These worsening prospects are, according to the IMF, "attributable primarily to the policy reactions to mounting inflation." The trouble is that restrictive policies against inflation which are domestically desirable and often ultimately unavoidable, have a threatening international dimension. It is a pity that the Venice Summit did not discuss this in greater detail.

One of the main reasons for hoping that the downturn now looming would be a good deal less severe than the 1974-75 recession was the prospect that the U.S. would move into recession much earlier than the Euroaepn economies and Japan, which would provide opportunities for world trade growth, and reasonable buoyant markets for the less developed countries until the American economy, in its turn, began to recover.

Unfortunately, the delay in the American recession, which was widely expected to begin last year, coupled with the restrictive policies in much of Europe, which were implemented partly to defend the European currencies against a strengthening dollar, seem to have put paid to this prospect. It now looks as if the painful synchronisation of the world trade cycle that began in the early 1970s is likely to continue.

This prospect is disturbing not only because it means that the recession will be deeper and longer than necessary, but also because it suggests that the pressures on governments to reflate artificially will be that much greater. With the underlying rate of inflation in the OECD countries now at 15 per cent, there is a strong possibility that powerful forces demanding fiscal and monetary relaxation will emerge in many countries, while world inflation is still only just in single figures. And usually the countries which reflate excessively are the ones which can least afford to do so because they have the most deeply entrenched inflationary pressures.

Necessity

The fact that the U.S. is beginning to appear to its own businessmen as one of these inflation-addicted countries, makes international economic cooperation all the more desirable over the coming year or so. For the U.S. economy needs to pull out of recession by raising investment and exports, rather than consumption and government spending. More than any other country the U.S. needs to embark on a massive industrial transformation to adapt its economy to high energy prices.

But for many of the industries which have been most affected by energy costs, this transformation will be especially difficult in a world economic slump.

In Britain's many uncompetitive industries, the same necessity for structural transformation in the midst of a recession looms even larger. While Britain's steel and car industries have not been adapted to a cheap-energy economy in the same way as America's their dependence on relatively cheap and highly unproductive labour is an even greater affliction, at a time when North Sea oil and the soaring exchange rate are making British labour rapidly more expensive.

Whether it is politically possible to carry through the sort of productivity improvements that British industry requires at a time when demand both at home and abroad is weakening and there is litle scope for increasing production is the great question facing the Thatcher Government. The disastrous losses of British Steel may be only the first indications of how difficult a task the Government has set itself.

THE FISHER REPORT INTO LLOYD'S

It's not all A1 at the £100,000 club

BY JOHN MOORE

AFTER disposing of the main business for the week, Mr. Peter Green, 55-year-old chairman of the City of London's most famous commercial club, Lloyd's, the insurance market, packed his traps and set off for a fishing holiday "somewhere in Scotland."

Mr. Green lists "working" as one of his other recreations so no doubt he will be reflecting while he casts a line, on the radical changes recommended for the 300-year-old insurance market by Sir Henry Fisher, whose report was published on Thursday.

Sir Henry and a working party, established by Lloyd's, have been studying the way the market conducts its affairs and regulates its members. For an internal report it is frank, something which surprised many members of the market. The constitution of Lloyd's "is no longer appropriate" and the powers of the 16-strong ruling committee of Lloyd's "are inadequate for self-regulation in modern conditions," it concludes.

Although Sir Henry is a former High Court judge, the language used in his study is mercifully free of legal circumlocution and spells out a simple message over and over again: all is far from A1 at Lloyd's. Why have this report and the recommendations for sweeping changes at Lloyd's been necessary?

Lloyd's started life in a coffee house in the 17th century when there were no insurance companies as we now know them. It originally specialised in underwriting marine risks for shipowners.

Some of the origins of the market are still reflected in present custom. Commissionaires are called "waiters," and wear red robes and silk hats recalling the costumes of Lloyd's early days. The underwriters sit at "boxes" similar to the benches where their counterparts would have sat writing the business in the coffee house.

Since the 17th-century, in an eventful history, Lloyd's has become one of the most important insurance organisations in the world with an annual premium income of nearly £2bn. Although the market started out insuring ships and cargoes, it now has the reputation of being a market in which any risk can be covered from a space satellite to a family car.

These developments have been fostered in an environment which has given much encouragement to the entrepreneur and private enterprise. The individual freedom of the working members of the community, over 3,000 in all, has been respected by the ruling bodies. This means that codified rules backed by law barely exist.

The 16-strong ruling committee of Lloyd's has relied on assent and agreement of its members who, it would like to think, will always act in the best interest of the market as a whole. Last November, Mr. Ian Findlay, then Lloyd's chairman, said: "I cannot really believe that Lloyd's as a society of underwriters and as an insurance market needs a governing body equipped with and ready to use more draconian powers in the maintenance of law and order."

Lloyd's, of course, is not a company but a market place summed up in the phrase used by one member in the 19th-century: "Individually we are underwriters, collectively we are Lloyd's." Lloyd's has no shareholders and the role of the Committee and Corporation of Lloyd's (the latter organises the market) is largely administrative, taking no share of the profits.

It is the 18,552 underwriting members of Lloyd's who back the risks, receive the profits and bear the losses.

The members of Lloyd's are grouped into syndicates, which are not partnerships. A member of Lloyd's is not liable for what is done in the name of any person. But each member of Lloyd's is individually liable for the share of the risks in which he has participated through his syndicate to the full extent of his wealth.

Over 15,000 of the membership do not work in Lloyd's. Like shareholders in public companies, they provide capital for the market to function.

Because each member of Lloyd's has to pass a means test—usually individual wealth of £100,000 must be shown—the membership is drawn from people of financial substance. Landed gentry, successful businessmen, the odd pop group, the occasional well-heeled journalist, sportsmen, television personalities and others representing most aspects of successful and wealthy sectors of society all participate in Lloyd's prosperity.

Lloyd's reputation as an insurance institution which offers first-class security to insurance policyholders and financial probity remains supreme in the insurance world.

But, in the last 2½ years Lloyd's has been rocked by a series of messy scandals which have challenged the way it operates. At least 10 of its underwriting syndicates have required special internal investigations, some of which have led to City of London fraud squad inquiries. The result of one police investigation into the affairs of a Lloyd's insurance broker are with the Director of Public Prosecutions. Members of the Sasse syndicate, which is facing £20.2m of losses, are suing Lloyd's for alleged broken rules and breach of duties.

A Parliamentary question was raised two years ago into the way a possibly fraudulent claim was settled by the market. On top of this Lloyd's is facing its largest-ever losses on computer leasing insurances, and has attracted criticism for carrying out inadequate checks on this new close of business.

It had become apparent by 1978 that the freedoms of Lloyd's could be abused, a feeling which became confirmed as the troubles continued to mount. Many of the controversies were a reflection of the highly competitive conditions in which the market is operating. In order to secure business both brokers and underwriters are sometimes neglecting traditional commercial prudence and were circumventing accepted market procedures.

"It was the consciousness of the lack of powers to deal adequately with abuses and difficulties which led to the setting up of this working partly (into self-regulation)," the Fisher report says simply.

Two main themes dominate the Fisher report: the question of Lloyd's government and its discipline. In what is itself the most revealing modern social history of Lloyd's, the report points out that there were only 675 underwriting members of Lloyd's, all resident in the UK and most of them carrying on business in the City of London in 1871.

Lloyd's principal Act of Parliament was established in that year and it is that Act which is still referred to when troubles break out in a much changed market.

In Lloyd's it is referred to as "the chop" act because if it is invoked for disciplinary matters, the procedures used lead only to expulsion from the market. There are no penalties. "It is the nuclear bomb or nothing," said one member of the market.

Moreover, the rule-making power is entrusted to the whole membership of Lloyd's—including the pop stars, businessmen and landed gentry—and not the committee of Lloyd's which works in the market. If the rules had to be changed, a general meeting of members would have to be called. With over 18,000 members this year Lloyd's would be somewhat worried if all the mebership did turn up in Lime Street to take a part in Lloyd's affairs. It would also pose an accommodation problem.

Sir Henry has concluded that only a small minority of members attend general meetings: the percentage has not exceeded 5.3 per cent in recent yars. With the great increase in membership between 1977 and 1979, when membership climbed from just under 11,000 to over 17,000, the percentage has declined still further. Thus though the Lloyd's Act of 1871 may seem to place the rule-making power where it should belong, in the whole membership, "this is a fiction: General meetings are not truly representative of the whole body of members," says the report.

With this in mind the Fisher team has set about designing a new Lloyd's council which would take over the rule-making powers of the membership.

This new council would consist of 16 working members elected by the working members. The Fisher report points to the voting trends of the last 10 years in support of this argument. Under the present system the committee is elected by the entire membership but, because votes can only be cast in person, those that cannot make the journey to Lloyd's Lime Street offices are in effect disfranchised.

The Fisher team has dealt with the new problem of depriving the outside members from voting in the council election by allowing them six of their own representatives

Invoking the 'chop' act leads to expulsion—the bomb or nothing

through a postal ballot, a device which will give the many overseas members of Lloyd's a say in who should govern Lloyd's. It says that three outsiders, completely independent of Lloyd's, should sit on the new council. They would be nominated by other members of the council and the nominations would require confirmation by the Bank of England.

On the question of discipline the Fisher report observes that Lloyd's has traditionally operated without any formalised disciplinary procedures, other than the limited ones laid down under the 1871 Act which have been rarely invoked. Adherence to accepted standards of behaviour has, for the most part, been maintained by the effectiveness of warnings informally given by successive chairmen and deputy chairmen in a rather headmasterly way.

Many people working at Lloyd's fear that the introduction of excessive legalism into the affairs of Lloyd's will squeeze the vitality out of the market.

The Fisher team sympathises, but has no doubt that "formal procedures must now be able to deal with those who transgress the rules."

Competition in international insurance markets has put pressure on all insurers and brokers. Large insurance brokers at Lloyd's, which are quoted on the Stock Exchange, have shareholders to answer to and earnings per share figures to improve. They may not take much notice of a private reprimand by one of the Lloyd's chairmen if it could mean the loss of a big line of business.

If disciplinary action has to be taken against some of the more powerful elements of the market, almost inevitably the alleged wrong-doer contacts his lawyer and challenges the word of the Lloyd's fathers in the courts. One chief executive of an insurance broker is challenging Lloyd's disciplinary proceedings in this way.

So rules, properly codified, are necessary. Lloyd's will have to seek a new Act of Parliament to bring these changes into effect.

One aspect of the Fisher report which is causing controversy in the market is that it seems slanted towards the underwriters, the traditional hub of the market.

The big brokers, it has been recommended, should divest themselves of their shareholding interests in managing agencies, the groups which manage the affairs of syndicates, because of the potential abuse of the conflicts of interest. "No proposal short of complete divorce is sufficiently watertight to reassure the public," and the members, "and give underwriters the greater independence and standing which the health of the market requires," says the report.

Strong words. And Lloyd's will need considerable courage to act on many of the recommendations of the Fisher report, which has been accepted in principle by the Committee. If all the proposals are implemented the committed capital of the 18,552 members can be safely protected from abuses within the market. Until the new Act of Parliament is brought into being, which could be sometime next year, the market will have to muddle along with its existing limited rules which Mr. Green described this week as "archaic and obsolete."

A GLOSSARY

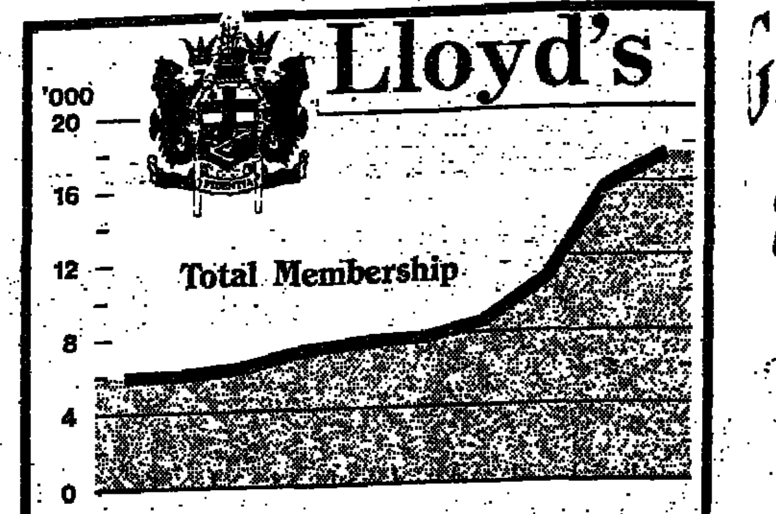
NAME: Shorthand expression for an underwriting member of Lloyd's. His name appears on the list of participants of syndicates at Lloyd's.

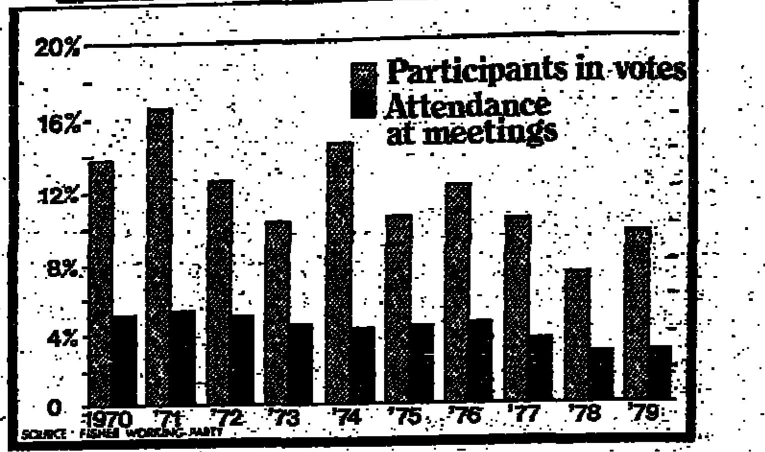
SYNDICATE: Group of underwriting members. To allow a certain volume of insurance business to be accepted speedily and efficiently members of Lloyd's group themselves into syndicates. Some have hundreds of members, some a handful. There are over 400 syndicates looking after the affairs of 18,552 members.

ACTIVE UNDERWRITER: Person (usually, but not necessarily an underwriting member) who conducts underwriting on behalf of a syndicate of underwriting members. Most members do not work at Lloyds but "invest" in the market by committing their private wealth to allow the market to function. Usually means of £100,000 must be shown.

UNDERWRITING AGENTS: Groups which manage the affairs of the members of Lloyd's. A managing agent manages a syndicate or a number of syndicates. A members agent deals with the applications for membership, and introduces members to syndicates.

BROKERS: An insurance broker buys insurance on behalf of a client. Brokers who use Lloyd's need special approval by Lloyd's before doing business there. Lloyd's has no direct dealings with the public. Business must be channelled to underwriters through the brokers. Large Lloyd's brokers often have shareholding links and control of managing agents.





Letters to the Editor

Mortgages

From Mr. W. Shepherd

Sir,—I note from his report of June 11, that Michael Cassell, attended the building societies conference. Frankly, I did not feel I had a proper answer to my enquiry as to whether tenants exercising their rights to purchase would inhibit builders from providing new low price housing. They certainly will not be able to build houses at a price competitive with the "discount" price of council dwellings. It would appear therefore that these provisions in the Housing Bill may prove counterproductive.

Mr. John Stanley, the Housing Minister, did indeed plead with building societies to lend more on "rundown properties in inner cities." But why should the societies do so when they haven't enough to invest even in better securities. The Minister's hope that societies would maintain the £400m a year local authorities support scheme was not welcomed by Mr. Ralph Stow owing to accusations of "queue jumping." Mr. L. Williams however, divined a "spin-off" benefit from the liaison that the scheme required councils to undertake with local building societies. Unfortunately in the second year's operation of the scheme when I was a council valuer, the Department of Environment allocated different building societies to those councils had been dealing with the year before! Thus valuable contact and liaison built up over the year were lost.

The Government would be far better to entrust mortgage advances to local authorities even at the risk of affecting its current fixation with reducing the public sector borrowing requirement. And that would ments for their funds.
happily free to concentrate upon the more attractive investments for heir funds.

W. J. H. Shepherd.
2 The Albany,
Woodford Green, Essex.

Insurance

From Mr. A. Barnes

Sir,—I read with interest the article (June 14) on motor cycle insurance and while it throws considerable light on the subject, it fails to answer my question as to why the renewal note for my policy due on August 1 quotes a premium more than 68 per cent higher than on the same date last year.

I am 31 years of age—one year more mature and 12,000 miles more experienced than last year—and have made no claims on the policy during the period so the insurer's risk, I would have thought, is somewhat less. I have been with the insurance company since I returned to motor-cycling three years ago and despite an accident and claim-free record have not been offered any no-claims discount, a situation neither I nor any other driver would tolerate if insuring his car.

A possible explanation can be found if one considers the commercial environment suggested in the article in which just a few insurance companies are quite willing to transact business from a legally obligated clientele who have very little choice —and absolutely no voice—in the matter. There is only one company which offers the cover that I require. It is simply its monopolistic situation which enables it to increase my premium from £104 to £175 at a stroke. Motor cycle insurers rely on the fact that the bulk of their customers are young and while not uncomplaining, have no effective medium to proclaim their exploitation. While such rich pickings exist, the insurers can forget their ethics, confident that their lapse will not be exposed.

And before I am dismissed as a Left-wing radical for holding these views, let me add that I am a qualified accountant working to uphold the profit motive in a large organisation. My general outlook is conservative, my only "deviance" being a preference for two- rather than four-wheeled motorised transport. I resent the fact that insurance companies consider my disposition in this matter to qualify me for an annual "rip-off." If there exists a more viable explanation I would be pleased to hear it.

A. Barnes.
70, Beech Gardens,
Rainford,
St. Helens, Merseyside.

Transport

From Mr. F. Gilman.

Sir,—Voters north of Watford are entitled to question the wisdom of spending large sums of their taxes on subsidies to encourage the continuance of commuting, which is a prime cause of the urban blight at which yet more taxpayers' cash then has to be thrown.

London commuters have over the years grown accustomed to living many miles from their place of work: they should now be prepared to pay the full economic cost of so doing, or alternatively they should return to the city to live "over the shop."

F. E. Gilman.
Coppice Farm House,
Church Lane, Glaston,
Uppingham, Rutland.

Tickets

From Mr. D. Pantlin

Sir,—Your excellent article on the London Underground (June 23) makes no mention of one simple improvement which could be introduced rapidly at little cost; I refer to the need to control excess fare payments. This could be done by issuing staff with the same sort of ticket machines which are used by bus conductors, to enable them to issue a receipt for money collected.

Surely many passengers will share my belief that it is morally wrong for an employer to put staff in a position of temptation when they handle fairly large sums of money. Most of the staff are surely honest people but human nature being what it is, there must be a loss of income because of this elementary precaution.

Many businessmen who arrive at Heathrow early in the morning from abroad find it necessary to purchase a low denomination ticket in the machines because of enormous queues at the booking counters. They are then upset to pay the substantial excess fare on arrival in the City without being issued with a receipt. The same problem arises when returning abroad by taking the Underground in the City during the evening rush hour.

Maybe one day the Underground will require a subsidy but surely it should start by putting such simple improvements into operation, by dealing with overmanning, and by using modern electronic ticket-issuing machines capable of taking notes and giving change.

Dick Pantlin.
11 Avenue de Mercure,
1180 Brussels, Belgium.

Orchestras

From Mr. F. Pirouet

Sir,—Mr. Robert Ponsonby has challenged (June 21) my assertion that ticket prices have risen faster than inflation.

In 1959, the year before Sir William Glock became responsible for the Henry Wood Promenade Concerts, a mid-price loggia seat cost six and sixpence. This year the same seat will cost £5.50. Extract the VAT element of the price and it has increased nearly fifteen times since 1959 against a retail price index increase of about five. Similarly a season ticket cost £3.00 in 1959 and is now £30.00; deduct the VAT and the price has increased nine times.

So far as the prospectus is concerned he and I have different views of what amounts to extravagance. I find, however, I have under-estimated the rate of increase in its price. It cost six pre-inflationary pennies in 1960 and has therefore gone up thirty times in price in twenty years.

I don't know what is meant by "courageous programme building" which to me smacks of jargon, but I can suggest a number of luxuries which ought to have been axed by the music department before it sacked 150 of its musicians. The appointment of foreign conductors to four posts; expensive foreign tours by the Symphony Orchestra with minimal broadcasting; one-third of the Promenade Concerts to be conducted by foreigners; importation of foreign orchestras; under-utilisation of the house orchestras and abandonment of "repeats." With the amount of broadcasting time available for music so much greater than in the fifties the answer that the latter is "something our present editorial policy does not allow" is unconvincing.

F. E. G. Pirouet.
185 Barnett Wood Lane,
Ashtead, Surrey.

Pounds

From Mr. J. Hobbs

Sir,—There seems to be a tendency for people to be informed that Euro-currencies are different from their local ones. In a time of free exchange it cannot make any difference whether a pound is owned in Hakney or in Timbuctoo. The ownership of a pound may change dozens of times all round the world, but sooner or later it comes home to roost and has to be redeemed in England. It follows therefore that all pounds "manufactured" by the Government have to be taken into account in assessing the inflationary effect of the proceeding.

John H. Hobbs.
26 Boulevard des Moulins,
MC Monte-Carlo.

Accounting

From Mr. H. Norris

Sir,—While agreeing with Mr. Greener (June 24) that it is a pity that it has taken so long to make progress with price-change adjusted accounts — ignoring his simplistic view of who is to blame—I must dissent from his strictures on accountants' responsibility for taxing capital. He has forgotten the Inland Revenue's substantial, though rough and ready, allowances in lieu.

Furthermore, one of his examples ("Cursory examination" . . . "taxable profits less than taxation levied") happens to produce current-loss-accounting figures on which tax is still less than a third of reduced adjusted profits.

H. Norris.
Deben Haugh, Ipswich Road,
Woodbridge, Suffolk.

Engineers

From the Executive Secretary Council of Engineering Institutions

Sir,—In "Men and Matters" (June 25) you paid a tribute to the confidence of the Council of Engineering Institutions in publishing its first diary at a time when the engineering profession awaits government decisions upon the Finniston report. That orders for the diary are already being received in encouraging volume from individual engineers is surely an indication of the strength of feeling upon which our confidence is based. Professional engineers are determined that their right to govern the affairs of their own profession shall not be taken away from them. This right is a primary characteristic of every profession in this country and throughout the free world. Ordering a diary for 1981 is a modest demonstration of their confidence that the Government will not adopt this particular recommendation of the Finniston report.

Denys Wood.
Council of Engineering Institutions,
2 Little Smith Street,
Westminster, SW1.

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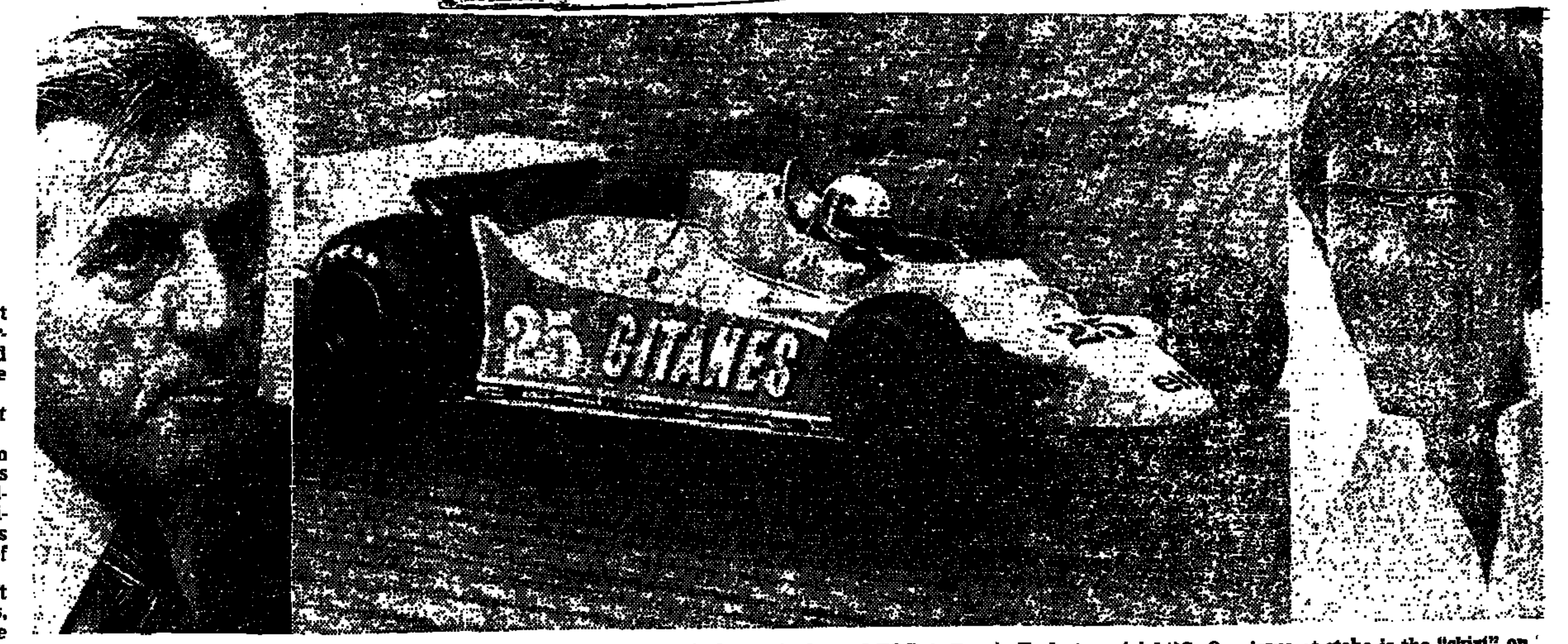
Grand Prix takes a dicey corner

BY JOHN GRIFFITHS



Will Monday's meeting resolve the conflict between FISA's Jean-Marie Balestre (left) and FOCA's Bernie Ecclestone (right)? One issue at stake is the "skirt" on grand prix cars, such as the Ligier (centre) in which France's Didier Peroni won this year's Belgian Grand Prix

THE BIGGEST crash in the history of grand prix motor racing appears to have been averted . . . in a hotel room near London's Heathrow Airport.

No lives were in peril, but at stake was the survival of the sport itself.

The result of a stormy, 14-hour meeting at the hotel was that the French Grand Prix will take place tomorrow at the Circuit Paul Ricard.

A few days before the meeting it had appeared that the French event would either be cancelled, or that it would be a farce, with only seven or eight grand prix Formula One cars appearing and the starting grid topped up by slower Formula Two cars in the hands of junior drivers.

But it was not just the one event that was threatened. The small, specialist constructors who run the majority of grand prix teams stood ready to break away from the official governing body of motor sport and run a rival "pirate" world championship of their own.

The result almost certainly would have been a disaster: for the specialist teams, for the *major motor manufacturers* increasingly being drawn into the grand prix, for sponsors with some £40m a year on the line—and *for the sport itself.*

Even now, all the parties are not entirely sure whether grand prix's future has been firmly secured. *There is a chance,* probably slight, that it has just rounded one dangerous corner with another to come.

That should become clear the day after the French GP, when all the racing teams, including those of the large manufacturers, present their counter-proposals to major regulation changes which the Federation Internationale Sport Automobile (FISA) has sought to impose on them.

But M. Jean-Marie Balestre, the mercurial president of FISA, will *almost certainly consider* the teams' proposals to be an offer he cannot refuse. He lost his trump card at that airport meeting, when Renault, Ferrari and Alfa-Romeo—the three manufacturers currently in grand prix—were finally persuaded to close ranks with

Hard-nosed negotiators have won better deals for the small teams

the small teams and present what the manufacturers hope is a peace *formula.*

They have been in a cruel dilemma. If they supported the smaller constructors and joined a *championship outside the aegis of FISA,* they risked being excluded from all other major forms of motor sport *which FISA also controls, in* which they have also invested heavily: if they stayed with FISA while the other teams ran *elsewhere, they would have had* no-one to race against except themselves. Should the FISA reject the proposals the *dilemma will return.*

The immediate issue that brought the Formula One Constructors' Association (FOCA), *representing the majority of* teams, to the brink of boycotting the French GP was the changes that FISA ordered to the cars, and the manner in which it ordered them.

From next year, it declared, the minimum weight of the cars would be raised. "Skirts," an integral part of "ground effect," the vacuum-like car aerodynamics which have sent *cornering speeds soaring enormously* since Lotus discovered the principle in 1978, would be banned.

The reaction of the specialist teams was unprintable.

Lest that sound like a storm in a tea-cup, the skirts ban was regarded by Lotus, Tyrell, Williams and the other "traditional" grand prix teams as effectively writing them out of contention next year.

The field would have been left to the major manufacturers, because only *these have had the* resources to develop turbo-charged engines. The others—with the exception of Brabham, *the vehicle in which BMW will* launch its own turbo next year —must rely on the legendary Cosworth V8 engine, now 12 *years old, which cannot match* the power of the turbos.

Without ground effect, which to a large extent neutralises the *turbos' extra power, "we might* as well all pack up and go home," according to Mr. Frank Williams, whose team is backed *by over £2m of Saudi and* Leyland Vehicles money.

The teams' principal proposals for "safer, more excit*ing and competitive" racing* next year is the replacement of "slicks," special treadless tyres, by more conventional treaded tyres. *That should placate M.* Balestre, since they offer about one-third less grip, and thus make for the safer cornering *speeds which FISA was seeking* with its own rule changes.

With the lower speeds, the teams say, skirts can be retained, thus avoiding a situation in which their power alone would see the turbo cars leaving the rest of the field standing next year.

But it was the way in which FISA ordered the rule changes, almost as much as the changes themselves, which infuriated the FOCA teams. When Mr. Bernie Ecclestone, FOCA's chief executive, meets M. Balestre on Monday, there will remain to be thrashed out issues such as how FOCA can obtain a stronger voice within FISA itself and what degree of *financial control* FOCA should be allowed to exercise in the running of grand prix.

Underlying these two issues is a difference of style as much as substance between the two organisations.

FISA was set up two years ago as an arm of the Federation Internationale de l'Automobile, the 60-year-old overall governing body of motor sport, specifically to cope with its in*creasingly complex* administration. But FISA, has its roots in the gentlemanly era of motor sport when much of it lay in the province of the *wealthy semi-*amateur.

FOCA, by contrast, is a hard-nosed organisation born out of a world of sharply rising costs, high technology and the placing of grand prix into the hands of *equally hard-nosed sponsoring* commercial for its survival.

It is FOCA which is responsible for a dramatic increase in bt financial status of its small member teams. Ten years ago, circuit organisers used to negotiate with teams individually. The weakest teams got the poorest deals.

FOCA changed all that: it has *forced through* package deals with organising circuits so that all teams get substantial appearance money and their travel *bills of many thousand pounds* a grand prix are paid.

It has played a big role in obtaining improved circuit *safety and generally leant on* organisers to produce a better event. Not least, grand prix races now start on time to mesh with the *160 or so live* TV broadcasts across nearly 40 countries which are such a major magnet to multinational sponsors ready to spend *millions* to get their messages across world wide (that takes no account of recorded broadcasts, of which there are, in a typical year, about 600).

It is perhaps not surprising *that the official governing body* sees this thrusting group, some 50 years younger than its own organisation, as something of *an upstart.*

Yet it would be unfair to say that FOCA is seeking to usurp overall control from FISA. It *recognises the need for a bene*volent dictatorship, distanced from the teams themselves and their *inevitably* conflicting *interests born out of rivalry.*

The teams' present assessment, however, is that FISA is too distant and lacks benevolence.

FOCA was angered that there was no consultation with it before FISA announced its *skirts ban, effective from* January 1, 1981. FISA said it was for safety reasons—under which it can order a change within a *week—a reason the* teams felt was misjudged.

Even the skirts ban might have been acceptable had it been imposed under the *official* two-year minimum period designed to allow adequate time for all the cars to be changed.

In any case, changes of profound significance for the *future of grand prix have* already been agreed. As from 1983, a new engine formula is to be introduced, governed not *by size, but by the rate fuel is* consumed—the cherished "fuel flow" formula of Cosworth engine designer Keith Duck*worth, who has long argued* that grand prix, in an energy-consciousage, should go back to making a contribution to the technology of roadgoing vehicles.

Grand prix, the current row apart, is enjoying its most successful period for many years. It attracts huge crowds and an enormous amount of media coverage. The racing is competitive. The appearance in it of the major manufacturers has given it a major extra fillip: Apart from BMW with its turbo engine, Talbot has just bought a large stake in the Ligier team, whose cars next year will run as Talbot Ligiers, and Honda and Toyota are said to be interested.

Yet all this has been put at risk by the FISA-FOCA dispute. *It has already been more than* behind the scenes wrangles: the Spanish grand prix last *month was declared illegal by* FISA because some drivers did not pay fines for not attending pre-race briefings, another rule *introduced by* FISA at short notice.

By comparison with the skirts dispute that *was* a storm in a tea-cup, *but it does mean that* the championship is currently headed by Brabham's Nelson Picquet, not Williams' Alan Jones who won in Spain, and was an indication of the disintegration that could so easily follow.

Certainly, it worried sponsors enough to issue not-so-veiled threats that they might con*sider withdrawing from grand* prix. Even Mr. Hector Munro, Britain's Minister for Sport, sent a telegram to Prince Metternich, head of the FIA, appealing for his personal intervention.

For this weekend at least, it appears that all can breathe more easily. But Monday's meeting between M. Balestre and FOCA now appers crucial. *If the contest continues, it will* be one in which there can be no winners.

Weekend Brief

The City dog that starts as an outsider . . . the film-makers who plan a co-operative . . . Portugal's television addicts . . . and a new US invasion

The City's Derby dog

The City's money brokers must take some risks as they daily lob fortunes in *currency* around *the world but for* Peter Clayton, the chairman, and Brian Deeble, the managing director, of Butler Money Brokers, a subsidiary of Sime *Darby, a much greater* outside chance stands to make them a fortune at the White City tonight.

A modest investment of £900 each last November, plus £25 a month each in running expenses, bought them Corduroy, a greyhound *which has* surprised the pundits in reaching the final—of the Spiller's Greyhound Derby. This week there were fanatics *in the* sport prepared to pay over £40,000 just to have a dog in the final, which is by far the most important and remunerative greyhound race in the world, with prize money this year at a record £50,000, of which £35,000 goes to the winning owner.

But the rewards do not stop there. A Derby winner can command sizeable stud fees, £250 a time and a healthy young greyhound should be able to earn £500 a week. Unfortunately Corduroy, approaching *three,* is on the old side but in his favour is his father, Itsachampion, also a star in his day. Corduroy has already won enough races to prove a very good investment and with the 200—1 bet they struck with a Liverpool bookmaker coming up with a win, victory could bring Clayton and Deebles some currency problems of their own.

Whatever happens the White City tonight should *be* alive as it seldom is these days. Well over 20,000 fanciers will be betting around £900,000 in the stadium on the final alone. It has been sponsored by Spillers for the last eight years and despite the £50,000 cost is regarded as a worthwhile investment. As chairman, Geoffrey John says: "During the heats for the Derby we have been able to entertain 96 of our biggest customers who account for over 70 per cent of our sales. There is *a natural tie up* between our petfood products and greyhound racing." Indeed when its Winalot brand was first introduced in *1928* it was designed specifically for greyhounds and John's auntie can prove its worth: she owned and trained the 1936 winner.

City money might be going on Corduroy but form points *to the Irish-owned dogs (all six* finalists were actually bred in Eire). Eddie Costello's Hurry on Bran is the favourite from Tipperary, but the large Irish contingent coming over will hedge its bet with Alfie McLean's Indian Joe from Limerick. But with favourites dropping out like skittles in the semi-finals it could be Corduroy *after all.*

Corduroy and supporting team: Peter Clayton, John Honeysett (trainer) and Brian Deeble

Getting into the picture

Suggestions for reviving British *film-making* are almost as abundant *as reports* of its demise these days but this week the wheels were set in motion for something which at least *has the smell of possibility* about it. That persistant promoter of the theory that small can be beautiful, film producer *Ishmail Merchant, is eagerly* trying to set up a co-operative of like-minded colleagues who might then be able to convince *the City that British films can* be both inexpensive (relatively) and profitable.

Merchant's credentials are pretty good. His last film, *The Europeans,* has played to full houses internationally and made a handsome return on its mini-budget. His latest effort, *Jane Austen in Manhattan,* cost less than £200,000 to make and looks like setting off on the same course even if its first showing in the UK will be on late evening television (July 6) thanks to London Weekend having put up much of the cash.

At the moment the main British film companies are simply not interested in this type of work. The Lords Delfont (Thorn-EMI) and Grade (ACC) along with Robert Stig*wood are all for the moment* dedicated to large budget productions aimed primarily at the American mass market. Merchant, needless to say, is passionately critical of this approach, arguing that a company with a $14m investment in a picture must be much more worried about its future than one with 14 £1m pictures, but *the latter is equally* likely to hit the film jackpot.

Merchant's campaign is to gather three of four British film-makers together and have them offer a combined programme of perhaps a dozen pictures to be financed by a consortium. He argues that the basic investment is secure since these days television rights in *a few countries can* cover the original costs—a scheme that does not apply to a big budget picture. "In that number of pictures there will be one or two which will make £5-£6m or more."

Part of the Merchant theory is that big budgets breed bureaucracy and dreadful Hollywood waste. All you really need, *he argues,* is people who are personally and financially involved in the picture to work themselves hard to make it succeed.

"We have everything here," he argues. "The producers, the directors, the technicians, the facilities, the actors. They are *all marvellous." The one thing* that is not available is British money to use those British resources. And so, with the *words,* "one does not have to do everything in America," the ebullient Merchant sprinted for the airport—he was late for his flight to New York.

Portugal comes dancing

A curious silence envelops Portuguese life between the hours of 8.35 p.m. and 9.15 p.m. five days a week. In cities, towns, and villages throughout Portugal ignition keys are turned off, telephone switchboards go dead, and the bustle of pedestrian life evaporates, leaving only cats and dogs to pick the rubbish.

This is the time that Portuguese television screens its *most popular programme,* a Brazilian serial called *Dancing Days.* It is a low budget, poorly acted, and escrutiatingly dull modern day soap opera which would be reserved for the bucket by most television companies in Western Europe, were it ever to be offered to them. Why then, its enormous popularity in Portugal?

One reason is that Portuguese television is on the whole low budget, poorly acted, and escrutiatingly dull, and *Dancing Days* is the best of a bad bunch. But, more important, there is a strong element of attraction for the austere Portuguese in the effervescence of the "Brazilian way of life" portrayed with exaggerated brushstrokes.

The serial (it has been running for nearly a year and will probably run indefinitely) concentrates on the daily adventures of a middle-class family who live near Rio's Copacabana Beach. The story line is extremely thin and, as one would expect from Copacabana Beach, revolves around fast cars and garish modern furniture.

The neon lighted floor, as the title suggests, is the *mis en scene* of the serial. The disco is where the photographer, the *businessman, the student, the* art collector, and the owner, play out their personal tragedies.

In post-revolutionary Portugal it is a striking social phenomiena. Its record breaking TV ratings underline the extent to which Portugal's most important medium of communication has become depoliticised since the hot Communist summer of *1975. Dancing Days is* the latest of a number of Brazilian soap operas which since their first appearance in 1977 has been *gradually pushing aside* the documentaries and the debates.

The influence of the serial reaches beyond the half-hour silence in the evening. A *Dancing Days* magazine, with fan mail and pin-ups of the actors and actresses is fast outstripping the more serious newspapers in sales. One of these, a cultural magazine called *Sete* was in danger of folding until the editor dreamed up the idea of including a *Dancing Days* column. Sales rocketed overnight by 130 per cent.

The publishing world, in crisis in Portugal because of the economic recession, has also *been boosted by the appearance* of biographies and novels written not just by the author of *Dancing Days* but by the protagonists of the serial. They are among the few big hits of this year's book festival.

Ironically the festival was originally conceived as a sales promotion for Luis de Camoes, Portugal's eminent poet who *this year celebrates his 400th* anniversary.

Dancing Days has also had a dramatic influence on the sale of colour TVs. As one salesman put it: "Viewers want a good look at the clothes and the hairstyles and black and white is just not good enough."

The book sales and the T-shirt promotions may be a passing *fad as most crazes are.* But there are signs of more lingering influences. A linguistic think-tank has been formed at Lisbon University to study what academics have reacted to as a worrying corruption of the mainland Portuguese language by Brazilian slang.

Doctors are writing learned scientific papers about the negative effects of the TV serial. Since *Dancing Days* began Portuguese evening meals (traditionally from 8 to 9) have been turned rushed or simply ignored. Peptic ulcers are on the increase.

American maiden invasion

A discreet little cocktail party in the basement of the U.S. Embassy in London this week indicated that Uncle Sam is still pleased with two of his entrepreneurial protegees, Lulu Bagnall and Gail Reitano for whom, I suspect, selling ice-boxes to Eskimos would come as an easy task. Ms. Bagnall and Ms. Reitano have managed to convince the American Small Business Administration that the middle of a recession is a good time for two young women to start selling consumer goods in a foreign market where unemployment is soaring. So far their determination has proved that they were right.

Bagnall and Reitano run *quaintly named Maiden USA* (Made in USA, get it?) which now holds the European rights for the products of Swank Inc., *a U.S. major in the costume* jewellery and small leather goods business. When the twosome tried to convince New York bankers that they would make money giving up their advertising sales jobs and setting up shop in Europe they *received a cool reception. They* were, however, the answer to the prayers of a President eager to show himself as a *supporter of minorities* (or perhaps, in the case of women, under-privileged majorities).

It was last year that Carter said he was going to foster female-owned business as much as he could, and early this year that he gave additional funds to the SBA for just that purpose. Bagnall and Reitano knocked on the SBA door and got the cash. "We were just in the right place at the right time."

There is probably a bit more to it than that. Friends at Peat Marwick helped with a financial presentation detailed enough to saturate the most nit-picking civil servant with figures. At the same time the two applied a sales style which has sent such British retailers as Boots and Debenhams, Dickins and Jones and Austin Reed, rushing to sign order books. Over the next few months the brand names Swank and Biagi will start popping up on the store counters and Bagnall and Reitano hope to be laughing all their way back to the banks that said no to them in the first place.

Contributors:

Antony Thorncroft

Arthur Sandles

Jimmy Burns

Economic Diary

MONDAY — Quarterly analysis of bank advances (mid-May). National Union of Railwaymen annual meeting, Guernsey (until July 12). House of Commons debates Civil Aviation Bill remaining stages. Two-day meeting opens in Luxembourg of EEC Environment Ministers. Chancellor Helmut Schmidt of West Germany and his Foreign Minister Herr Hans-Dietrich Genscher begin two-day visit to Moscow. EEC-Turkey Association Ministerial meeting.

TUESDAY—EEC Foreign Affairs Ministers meet, Brussels. House of Commons debates Inmos. Mr. Michael Heseltine, Environment Secretary, opens world's first Primatorium, 277 Pentonville Road, London. *House coals* and smokeless fuels price rise of about 5 per cent. Access card-holders' facility to draw cash advances of up to *£100* a day when abroad. Presentation of National Free Enterprise awards for 1980—including Sir Hector *Laing and Sheerness Steel Company.* The old sixpence (2½p) ceases to be legal tender.

WEDNESDAY—UK official reserves (June). Capital issues and redemptions (June). Monthly meeting of National Economic Development Council. House of Commons. Debates EEC documents on Budget, fisheries policy and on meeting of Foreign Affairs Council. Short debate in House of Lords on EEC Budget. Mr. Michael Heseltine addresses annual meeting of National Federation of Housing Associations, Royal Institute of British Architects, 66 Portland Place, London.

THURSDAY—Ford UK union leaders meeting management on proposed voluntary redundancies. First winer of £250,000 Premium Bond jackpot.

SATURDAY — Mr. James Callaghan, Labour Party leader, speaks at Party rally, Market Hall, Brecon.

Howard & Wyndham passes preference

Howard and Wyndham, publisher and retail jeweller, is passing its preference dividend due in July. The last dividend on the ordinary shares was an interim payment of 0.335 for 1978-79.

In May the directors reported that although the first half had shown a pre-tax profit of £105,000, the second half was traditionally the worse trading period and they expected a loss for the full year. The general malaise which started in the book trade in early 1979 had not changed, and they were considering measures which might include the rationalisation or realisation of the group's publishing assets. This was likely to result in substantial extraordinary losses for the year ending June 30, 1980.

They now state that in view of the continued unsettled conditions in publishing, it would be imprudent to pay a dividend on the 9 per cent convertible cumulative redeemable preferred shares 1999 and the 9 per cent special convertible cumulative redeemable preferred shares 1999.

The resignation of Mr. J. A. Cramer as a director has been accepted, and Mr. H. P. Tanner has been elected to the board.

Rediffusion marginally ahead: maintains 5.25p

AFTER THE downturn from £8.09m to £6.54m at midway, profits before tax of Rediffusion for the year ended March 31, 1980, amounted to £17.12m, slightly ahead of the previous year's £17.11m.

The directors of the group, controlled by British Electric Traction, are recommending a final dividend of 4p to maintain the year's total at 5.25p. Stated earnings per share are down from 9.3p to 8p.

Turnover amounted to £219.59m compared with £184.91m. Profit is after interest of £4.85m (£2.5m) depreciation £27.71m (£25.93m) and associates profits of £3.74m against £2.94m.

Tax takes £10.48m (£9.43m) and there is also an extraordinary credit of £2.88m. This relates to a £6.29m profit on the sale of the Hong Kong property and £103,000 profit on the sale of Barbados Rediffusion Service, less provisions for the cost of withdrawal from the following activities:

Marine telecommunications, £1.35m, radar-based simulation, £1.09m, and retailing of audio and other goods in the North East and certain music services, £1.08m.

● comment

Rediffusion shows a nearly 8 per cent rise in trading profit due mainly to a better performance in computers. However, after nearly doubled interest charges, the profit figure before associate income is down 6 per cent from last year. But it pulls level above the line thanks to a 20-month contribution from Rediffusion Television (which has a 50 per cent interest in Thames Television) of which £1m is from the odd eight months. The backbone television rental business plods along and there is as yet no report on customer disconnections following a 10 per cent increase in tariffs early this month. CMC Europe, a Dutch data processing equipment marketing company acquired last July for £4.25m, has added £1m to pre-interest profit but also contributed significantly to the interest bill. Other computer operations moved from first-half loss to profit in the second half. The Hong Kong television station is making smaller losses and is said, as usual, to be moving the right way. Borrowings grew £6m last year and stand at 35 per cent of shareholders' funds. The shares were unmoved on the results and, at 74p, trading at 8.75 times stated earnings. The yield, on an unchanged total dividend, is 10.7 per cent.

United Guarantee profits setback

PROFITS BEFORE tax of United Guarantee (Holdings) have slumped from £307,864 to £56,400 in the first half year ended March 31, 1980 and the directors say the second half is not expected to show any great improvement in profit performance.

Although a substantial part of the increased first half turnover—up from £2.92m to £6.31m—is in the low margin field of fuel oil distribution, the mild weather has kept sales volume below normal and thus reduced profits to an unsatisfactory level, the board states.

Lubricants and special products sales have failed so far to advance turnover to the extent necessary to recover increasing costs, but sales and marketing policies are being changed.

The interim dividend is being maintained at 0.232p—last year's total was 0.5p from pre-tax profits of £392,000.

The current year is regarded as a period of expansion for the group following three years of reducing turnover until the increase arising from the acquisition of the BP marketing distributorship last year.

Scapa lifts payment to 6.55p

FROM TURNOVER of £78.68m against £71.09m, trading profits of Scapa Group were maintained at £10.3m against £10.25m, for the year ended March 31, 1980, but higher interest charges pushed pre-tax profits down from £8.79m to £8.29m.

The directors are recommending an increased final dividend of 3.75p (3.55p) to lift the year's total from 6.25p to 6.55p.

The increased interest charges were due partly to higher interest rates and partly to increased borrowings for capital expenditure needed to meet market opportunities and to maintain competitiveness.

Principal companies of the group are engaged in the manufacture and sale of paper machine clothing, filtration fabrics, pressed felt and a wide range of other specialised textiles for industrial purposes.

The year's tax charge is £3.86m (£3.18m) giving earnings per share of 16.5p compared with 20.7p.

Conditions in the UK were less favourable and profits were lower than in the previous year as a result of cost inflation and lower export margins, although the decline was contained by the continuing programme aimed at improving cost effectiveness.

North American operations had a good year in a buoyant economy.

● comment

In 1978-79, the British side of Scapa's business made the running. Last year, despite sterling's strength, the American business contributed 53 per cent of trading profit, and 58 per cent of pre-tax profits with financing charges bearing less heavily on U.S. earnings.

The paper industry, the main market for Scapa's American products, enjoyed a buoyant year, while the new products whose development depressed 1978-79 results started making real profits. Back home, exchange-rate pressure on export margins was felt most acutely in the paper machine, clothing and industrial textile divisions. The yarns division, with carpetmakers an important market, saw no better than break-even. Gearing now stands at almost 47 per cent, with some $6m of capital expenditure outstanding in the U.S. At 77p, up 7p, the dividend—two-and-a-half times covered on an historic basis, but just uncovered on current costs—yields almost 13 per cent. The shares stand on an historic p/e of 4.9 at a notional 52 per cent tax charge—though in practice the actual tax charge is largely incurred overseas.

Bamfords parent declines

TAXABLE PROFITS of Fredk. H. Burgess, unquoted agricultural engineer, fell to £1.92m in 1979 compared with £3.09m, after the exclusion of Bamfords, a 59.8 per cent owned subsidiary which went into voluntary liquidation on June 19, 1980.

The short-term outlook is not encouraging, say the directors. Turnover in the first five months of 1980 is roughly equivalent to the same period last year and costs have escalated rapidly. Nevertheless, they expect the group to maintain its position in the market.

Trading profits in 1979 slipped from £3.65m to £2.8m

Group sales increased by £9.72m to £76.66m. After lower tax of £218,035 (£704,715) there is a net profit of £1.7m (£2.39m).

Burgess' investment of £901,573 in Bamfords' shares has been wholly written off as an extraordinary item. The group has given no guarantees to creditors or banks in respect of Bamfords.

PROV. LAUNDRIES

Provincial Laundries intends to convert compulsorily the outstanding balance of its 12 per cent convertible unsecured loan stock, 1986-88.

No final as Grovebell losses rise

LOSSES OF Grovebell Group deepened in the second half, contrary to the midyear forecast of an improved result for that period, and the directors are omitting the final dividend.

The pre-tax deficit for the year to November 30, 1979, was substantially heavier at £209,272, against £75,535, with losses of £199,087 (£78,697) being incurred in the second six months.

Turnover expanded by £6.31m to £11.27m in the year. Interest charges jumped from £130,924 to £326,179.

The passing of the final dividend leaves the interim of 0.5p net as the year's single payment, against a total of 1p last time.

Development of the group, interests of which include motor trading, was affected by deteriorating economic conditions during the second half, the directors say.

They have taken steps to investigate every investment and consequently non-profitable subsidiaries under present difficult trading conditions have been closed. This policy will continue until the economic climate improves they add.

Losses per 5p share are shown to have risen from 0.8p to 17.39p for the year.

Tax credit amounted to £19.230 (£74,214). There were pre-acquisition losses of £65.685 on subsidiaries brought during the year.

Whiteley falls: omits dividend

A SHARP decline in pre-tax profits, from £356,004 to £187,344, is reported by B.S. and W. Whiteley, manufacturer of electrical insulating pressboard and multiply presspaper, for the year to March 31, 1980, and the dividend is omitted.

At midway, the surplus was down from £170,190 to £93,597, reflecting generally higher manufacturing costs and the closure of a major production machine for extended overhaul.

After a tax credit this time of £139,482 (£181,768), net profit is up from £174,236 to £326,826, lifting stated per-share earnings to 6.87p against 3.92p. Turnover went ahead from £6.19m to £7.83m.

A single dividend of 1.25p was paid last year.

Optimistic view from Kwik-Fit

DEPRESSED NEW car sales meant more business for the chain of free-fit battery, exhaust, shock absorber and tyre centres operated by Kwik-Fit (Tyres and Exhausts) Holdings, Mr. Alec Stenson, chairman, told shareholders at the annual meeting.

"If motorists have to keep their cars longer, we can only benefit from supplying these 'distress' products," he said.

Kwik-Fit, which bought Euro Exhausts for £10.2m last year, was aiming at turnover of £25m in the current year, by the end of which it would have 150 UK centres and 20 on the Continent.

All Kwik-Fit and Euro Exhaust trading companies were to be renamed Kwik-fit-Euro, although the holding company's name would remain the same.

Kwik-Fit has paid £88,212 for the outstanding 25 per cent of its subsidiary Kwik-Fit (Southern) from Mr. S. H. Saunders, a director of Southern.

The acquisition follows the exercise of an option by Mr. Saunders granted on the incorporation of Southern in 1975, and the consideration has been satisfied by the issue of 140,000 new ordinary shares, which Mr. Saunders intends to retain.

BIDS AND DEALS

Exchange probes pre-bid dealings in R-R shares

THE Stock Exchange has begun a preliminary inquiry into share dealings in Rolls-Royce Motors ahead of the share suspension on Wednesday.

On the two preceding days the shares rose 5p and, in the hour of trading before they were suspended on Wednesday, increased by a further 3p to 60p. Later on Wednesday Vickers announced an agreed merger with the company.

The Stock Exchange is already conducting preliminary investigations into British Petroleum's recent foreshadowed bid for Selection Trust, the mining finance house.

Last year the exchange carried out 39 preliminary inquiries of which 12 became full-scale investigations.

Since then insider dealing has become a criminal offence under the provisions of the Companies Act, which came into force on Monday.

PRINCE OF WALES HOTELS

The directors of Prince of Wales Hotels have declared beneficial interests of 7.19 per cent and 6.37 per cent respectively in the company's equity.

The deals, which gave Mr. R. Geffner and Mr. J. H. Strelitz their holdings, were concluded on May 19 but announced yesterday.

According to Mr. Arnold Clayman, the hotel group's chairman, the holdings result from a break-up of Norfolk Enterprises, a privately-owned company which had held 1.2m shares (29.93 per cent) of Prince of Wales.

He believed that the five owners of Norfolk had split the stake proportionately between them. Mr. Geffner had held 24 per cent of Norfolk and Mr. Strelitz 21.33 per cent.

HEWDEN-STUART ACQUISITION

Hewden-Stuart Plant has acquired Ashframe (Holdings) for an initial cash consideration of £419,000. If profit for the 13 months to July 31, 1980, exceed £160,000, an additional consideration of up to £1.5m will be payable based on profits for the 19 months to February 1, 1981, and the two subsequent financial years.

The additional consideration is payable in cash or shares at Hewden-Stuart's option and if Hewden-Stuart exercises certain options available to it the maximum consideration will be £1.2m.

Ashframe is a holding company which, through its operating subsidiaries Atlas International and Atlas Heavy Lifting, carries on a heavy lifting and rigging contract service and engages in the hire of heavy crawler cranes on an international basis.

Pre-tax profit for 1978-79 was £528,017, including non-recurring profits of £144,976. Net asset value was £624,928 at June 30, 1979.

W. L. PAWSON BUYS GOODKIND (SALES)

W. L. Pawson and Son is to acquire Goodkind (Sales) from W. Goodkind and Sons for £16,659 subject to an adjustment equal to the amount by which the net asset value of Sales exceeds or falls short of £16,659 at June 30, 1980.

On completion, sales will repay all inter-company loans, amounting to £125,615, to Goodkind. Pre-tax profit of Sales for 1979 was £4,118.

DCM AGREES SALE OF JEAN SORELLE

The joint receivers and managers of Dunbee-Combex-Marx say terms have been agreed in principle for the sale of the business of Jean Sorelle, which is based at Peterborough, to a company run by Mr. and Mrs. Robin D'Abo and Mr. Robin Gunn.

Mr. D'Abo, who will be concerned with running the business, has indicated that it will continue along its present lines.

SANDVIK/AVEN

Sandvik is to acquire Aven Tools Maltby, a subsidiary of Firth Brown Tools.

Guinness Peat's $1m U.S. deal

GUINNESS PEAT GROUP of the UK is to expand its U.S. commodity interests by acquiring a 20 per cent interest in Chicago comodity brokers, Geldermann and Co.

Lewis and Peat Trading Inc., a wholly-owned subsidiary of the U.K. company, is to pay $1.08m to acquire the stake in Geldermann, an established member of the two big commodity futures exchanges in Chicago—the Board of Trade and the Mercantile.

At the same time Guinness Peat plans to increase its commodity brokerage business in New York. Its subsidiary there, Lewis and Peat Futures, has applied for membership on all the active New York futures markets.

The move by Guinness Peat to step up its U.S. trading interests reflects, no doubt, the increased interest in futures markets—especially the new financial instrument contracts covering foreign currencies and interest rates.

But it comes at a time when the U.S. Commodities Futures Trading Commission, which regulates the markets, is introducing more controls on trading that could hit foreign companies hard.

Another Guinness Peat subsidiary, Wiscope in Switzerland, has already been embroiled in legal action with the Futures Trading Commission over its dealings on the New York coffee market.

FINE ART DEV. WILSON BROS.

Fine Art Developments, greeting cards publisher, now has acceptances in respect of 90.4 per cent of Wilson Bros. and intends to compulsorily acquire all outstanding shares.

STANDARD INDL.

The 1970 Trust, which is administered by the directors of Standard Industrial Group (the former Bentima Industries), has topped up its holding again in Standard by the purchase of 17,000 shares. This gives it 50.05 per cent of the equity.

At the end of last August its holding had been 51.84 per cent.

BRITISH SUGAR

Prudential Corporation now holds 3.64m shares (6.07 per cent) of British Sugar Corporation.

ASSOCIATES DEAL

On June 19 Rowe and Pitman bought 50,000 News International ordinary shares at 1.83p each and on the following day bought another 50,000 at the same price on behalf of discretionary investment clients of an associate of the News corporation.

SHARE STAKES

Huntleigh Group — Mrs. E. Cruh, director, has disposed of 100,000 shares.

Jove Investment Trust—Mr. M. F. Rawlence has disposed of 250,000 Capital shares, reducing his interest to 930,000 (6.57 per cent).

Unifed Scientific Holdings—Directors of Optic Electronic Corp. have exercised their options over 200,000 ordinary.

McCleery L'Amie — Lamont Holdings bought 100,000 shares on June 24 and 100,000 on June 26.

Record Ridgway—ITC Pension Trust, jointly with ITC Pension Investments, have increased their joint holding to 587,500 shares (5.26 per cent).

Rotork—Mr. J. J. Fry, director, has disposed of 50,000 shares.

Hill Samuel Group — J. B. Marshall has acquired 25,000 ordinary as a result of the exercise of an option and has sold 10,000 of these shares.

Beatson Clark — J. F. B. Clark, director, is interested as a trustee in 268,400 ordinary.

Burmah Oil Co. — As a result of a purchase of 100,000 ordinary units on June 11, Kuwait Investment Office is interested in 7.34m units (5.1 per cent).

George Spencer — Gilstan has sold 100,000 shares leaving interest 223,050 (3.65 per cent). C. H. Livingston is a director of both Gilstan and George Spencer and is beneficially interested in the Gilstan share capital.

Downs Surgical—P. B. Latham, director, has acquired 8,000 shares at 10p making holding 12,280. R. H. Williams has acquired 5,000 shares at 10p making holding 7,939.

Ambrose Investment Trust—Scottish American Investment Company has acquired 250,000 shares (6.944 per cent).

Laporte Industries (Holdings)—London and Manchester Assurance Company and Welfare Insurance Company, a subsidiary, have sold 12,300 7½ per cent preference shares leaving nil holding.

J. Hepworth and Son—London and Manchester Assurance Company has disposed of 14,600 6 per cent preference shares leaving nil holding.

United Dominions Trust—London and Manchester Assurance Company has disposed of 70,000 3.15 per cent second cumulative preference shares and 182,500 3.15 per cent third cumulative preference shares leaving nil holdings.

Allied Computer Techniques Holdings—The directors have recently sold new ordinary shares as follows: L. C. N. Burry 65,000, R. K. Foster 32,138, A. G. Bryan 21,710, R. Thomas 5,225, R. J. Jacques 2,980, P. S. Harford 755, and B. M. Androlia 6,970. L. C. N. Burry has also sold 10,000 ordinary.

General Electric Company — R. H. Grierson, director, has become aware of purchase of £800 floating rate unsecured capital notes 1986 and of sale of 2,500 ordinary. These interests are and were beneficial. He also notifies that a holding of £12,500 capital notes, which was a non-beneficial interest, need not now be reported.

British Home Stores—Guardian Royal Exchange Assurance holds 29,600 preference shares (7.4 per cent) and GRE Nominees 17,250 preference (4.31 per cent). R. W. Burgess, director, on June 18, sold 1,500 ordinary at 296p.

Countryside Props. 46% up but cautious on year

A 46 per cent rise in taxable profits, from £514,000 to £753,000, is reported by Countryside Properties for the half-year to March 31, 1980. But the directors warn that full-time results may not reach the record £1.31m achieved in the more favourable conditions of 1978-79, although they expect the outcome will be reasonable in the light of the present economic climate.

The interim dividend is being held at 1.4p adjusted for the four-for-one scrip and consolidation of 5p shares into 25p shares, the directors considering it prudent to do so in the light of current conditions. Last year's final was 2.1p.

The present high mortgage interest rates are adversely affecting the housing market and as a result the group has re-programmed its production schedules to preserve more of its prime land stocks until the housing market improves.

However, the group's involvement in commercial property development has increased, which will birng about a more balanced trading position with its house building programme, the directors say.

They are seriously considering the possibility of building up a property investment portfolio and are looking to the retention of selected properties when built and let.

Turnover advanced from £5.38m to £7.76m for the half-year. Stated earnings per share increased to 11.9p (8.2p), after tax of £36,000 (£24,000).

SPAIN

June 27	Price %	+or—
Banco Bilbao	216	
Banco Central	242	
Banco Exterior	208	
Banco Hispano	218	+2
Banco Ind. Cat.	122	
Banco Madrid	141	
Banco Santander	272	
Banco Urquijo	150	
Banco Vizcaya	226	
Banco Zaragoza	202	
Dragados	76	+1
Espanola Zinc	58	
Fecsa	65.2	−0.8
Gal. Preciados	25	
Hidrola	70	−1.5
Iberduero	68	−0.2
Petroleos	106.5	
Petroliber	92	+2
Sogefisa	107	
Telefonica	63	+1.0
Union Elect.	62.5	−0.5

Spong loss increases

Against the directors' forecast of some seasonal recovery in the second half, net losses of Spong and Co., hardware manufacturer and wireworker, deepened from £123,064 at midway to £287,296 at the end of 1979.

There was a net profit of £10,985 in 1978 after tax of £243.

Turnover slipped from £2.53m to £2.26m and there was no tax charge. The dividend is again omitted—the last payment was a total of 1.25p for 1977.

ISSUE NEWS

Charterhall rights issue to raise £3.7m

Charterhall, the oil and minerals group is raising £3.7m by way of a rights issue of 6.9m 5p shares offered on the basis of one new share at 55p for every four held. The offer is to shareholders on the Melbourne register on June 27.

Mr. Derek Williams, chairman, said that the company should take participations in additional exploration and development ventures to accelerate the group's growth. Charterhall has joined consortia comprising substantial companies and led by experienced international operators to apply for licences in the seventh round of UK offshore licensing.

Mr. Williams said that funds arising from the issue would increase the working capital and asset base of the group so as to enhance its financial position prior to application in the seventh round.

Taking into account the proceeds from this issue and the cash flow expected from the Buchan Field, the Board believe the group is well placed to meet all anticipated commitments and take advantage of further opportunities for future development.

The offer, which is being underwritten by Carr Sebag and Co., closes on July 22.

● comment

Charterhall can certainly put the £3.7m it is raising through a rights issue to good use. It has a 5 per cent interest in a consortium led by Sunoco that is bidding with BP for some "nominated" blocks in the North Sea seventh round. These are considered highly attractive but carry a £5m payment on signature and impose stiff drilling obligations. The group also has a 10 per cent interest in a consortium led by Monsanto that is applying for a licence in the South Western Approaches. At 55p a share, the rights are offered at very close to the company's underlying asset value, including the yet-to-produce Buchan field. Nevertheless, the shares rose 5p to 80 yesterday, showing once again that second time oil shares are almost in a class by themselves these days.

IOS survivor seeks listing

Global Natural Resources, the last surviving offshoot of Mr. Bernie Cornfeld's failed IOS empire, is applying for a full listing on the Stock Exchange and registering with the Securities and Exchange Commission so that its 21m bearer shares may trade in the U.S. over-the-counter market.

Global Natural is an oil and gas exploration and development company with interests in the U.S., Canada and Indonesia that were transferred from the Fund of Funds in 1970. The company is still searching for FoF holders entitled to about 21 per cent of Global's shares.

In 1979, the company had net income of $2.4m ($752,000) on oil and gas revenues of $13.9m ($9.9m). The 1979 profit includes $5.8m arising from the initial distribution from the liquidation of Investment Properties International.

Effective control of Global Natural is held by Mr. E. R. E. Carter, a director and the trustee appointed by the Supreme Court of Ontario to represent the unidentified shareholders. The company has been advertising throughout the world in an attempt to find the lost shareholders but will take steps to end what remains of this overhanging block of shares in the market at the end of 1981.

Although Mr. Cornfeld has occasionally claimed to have a significant shareholding in Global Natural, the company is not aware of this.

The shares being in bearer form, the company does not know who its shareholders are. The Board recently decided to adopt the power to set up a share register. Apart from the trustee, no one is believed to hold more than 5 per cent of the shares.

The shares have been traded on an over-the-counter market in Frankfurt recently at about $10 a share. The SEC registration is to be made by Monday, enabling trading there to begin on Tuesday.

A full prospectus will be published next Wednesday in connection with the London listing, which is by way of an introduction arranged by Hambros Bank. Brokers to the listing are Rowe and Pitman.

Results due next week

The general consensus among analysts is that Scottish and Newcastle's preliminary announcement on Thursday, will show a pre-tax profit of some £37m for the year ended April 30, a 4 per cent improvement. In the areas in which S and N is strongest (the north, north-east and Scotland), trade is thought to be dull, with rising levels of unemployment having some effect on consumer spending on beer.

Still, the company should have benefited from last autumn's price increase and beer sales nationally are estimated to have gone up by about 4 per cent. A negative aspect is expected to be a substantial rise in financing charges, estimated to have increased to £9m from £5.7m.

Outside forecasts for the SGB Group's interim profit range from £7.3m to £8m for the half year to end-March, up from £6.12m. A favourable factor was the comparatively mild winter, which should have helped push up construction activity. But while there was no recurrence of the lorry drivers' dispute, the steel strike will have affected business, particularly on the important scaffolding side.

But with the exception of the space heating division, all operations are reckoned to have enjoyed some improvement up to March. It is likely that shareholders will see a 15 to 20 per cent rise in the interim dividend (3.15p last time), when the results are announced on Tuesday.

Imperial Continental Gas, which announces its year-end figures on Tuesday, is expected to turn in a modest profits increase to some £36m pre-tax against 1978-79's £33.745m. Analysts expect little growth in Calor Gas's contribution to earnings as a result of the relatively mild winter in Britain. Earnings from the company's Belgian subsidiaries are expected to be flat due to the strength of sterling against the Belgian franc and the depressed industrial demand for electricity in Belgium. Long-term forecasts for IC Gas appear brighter, however, thanks to the company's expansion into oil exploration activities—which continue to boost its share price—and its recent acquisition of CompAir. Final net dividend is expected to be 21p, up from 1978-79's 18.088p.

Also due next week are a preliminary announcement from Avana on Tuesday, and from Greene King on Thursday.

Company	Announcement due	Dividend (p)* Last year Int	Final	This year Int.
FINAL DIVIDENDS				
Avana Group	Tuesday	1.15†	2.35	2.0†
Bassett (Geo.) Holdings	Tuesday	1.56613	4.9751	1.63625
Batleys of Yorkshire	Thursday	1.1	3.1	1.3
British Benzol Carbonising	Monday	0.5	1.5	1.0
C.H. Industrials	Thursday	0.825	1.375	0.9075
Greene, King and Sons	Thursday	1.7236	3.0	2.0
Hampton Gold Mining Areas	Wednesday	1.5	2.0	1.5
Imperial Continental Gas	Tuesday	6.088a	12.0	8.0
Kleen-E-Zee Holdings	Monday	0.875	3.625	1.5
Latham (James)	Friday	2.95	5.75	3.35
Marston, Thompson and Evershed	Tuesday	0.42875	0.82125	0.625
Moss (Robert)	Friday	0.63381e	0.896	0.7
Petbow Holdings	Monday	1.54268b	3.0	1.5
Property Holding and Investment Trust	Tuesday	1.02033	1.5	1.15
Rexmore	Tuesday	1.36818	3.11364	1.458
Ropner Holdings	Monday	1.1896	2.0063	2.0
Russell Brothers (Paddington)	Thursday	1.25	3.625	1.35
St. Georges Laundry (Worcester)	Monday	0.28	0.42	0.56
Scottish and Newcastle Breweries	Thursday	1.45	2.527	1.5
Sogomana Group	Wednesday	2.0	7.0	3.0
Sutcliffe Speakman	Friday	1.3164	—	—
Symonds Engineering	Wednesday	0.2125	0.5625	0.2225
Technology Investment Trust	Wednesday	1.0	2.1	1.85‡
Tex Abrasives	Thursday	0.75	2.42345	0.75
United Kingdom Property	Monday	—	0.42	—
Walker and Staff Holdings	Monday	—	0.675	—
INTERIM DIVIDENDS				
Bett Brothers	Thursday	1.0	1.5	
Birmingham Pallet Group	Thursday	1.0	2.5	
Blundell-Permoglaze Holdings	Wednesday	1.58d	3.6	
Gough Cooper	Thursday	2.1	3.5	
Greenfields Leisure	Friday	0.84	1.31	
SGB Group	Tuesday	7.75	4.04762	
Thermal Syndicate	Thursday	3.0	4.0	
Winterbottom Trust (The)	Tuesday	2.3	5.2	
INTERIM FIGURES				
Assam-Dooars Holdings	Friday			
Western Dooars Tea Holdings	Friday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Total of first and second interim. ‡ Includes non-recurring dividend of 0.38p. The following are compensating dividends included to allow for the change in the tax rate: a 0.088, b 0.042678, c 0.061, d 0.38, e 0.0158.

EUROPEAN OPTIONS EXCHANGE

Series		July Vol.	Last	Oct. Vol.	Last	Jan. Vol.	Last	Stock
AKZ C	F.20	—	—	1	5.80	—	—	F.25.10
AKZ C	F.22.50	21	1	—	—	15	3	"
AKZ C	F.25	12	0.10	9	0.90	—	—	"
AKZ P	F.25	—	—	2	1.90	2	2	"
AKZ P	F.27.50	—	—	5	4.20	—	—	"
EK C	$60	10	¼	—	—	—	—	$56½
FNC C	$20	2	2	—	—	—	—	$31⅞
HEI C	F.55	—	—	5	3.80	—	—	F.56.50
HEI C	F.60	—	—	1	2.20	—	—	"
HEN C	F.60	—	—	1	2.50	—	—	"
HO C	F.17.50	—	—	5	1	—	—	F.16.50
IBM C	$60	8	⅞	—	—	—	—	$58⅞
KLM C	F.60	5	2.20	7	4.50	—	—	F.59.90
KLM C	F.70	11	0.20	—	—	—	—	"
KLM C	F.80	—	—	75	0.70	—	—	"
KLM P	F.60	27	2.10	10	4.70	—	—	"
KLM P	F.70	29	10	9	11.50	—	—	"
NAT C	F.109.10	10	2.20	—	—	—	—	F.110.30
NN C	F.110	—	—	13	4.50	—	—	"
NN C	F.120	—	—	13	1.40	—	—	"
PHI C	F.15	—	—	10	2.70	—	—	F.17.40
PHI C	F.17.50	—	—	35	0.90	2	1.50	"
PHI C	F.20	—	—	151	0.30	—	—	"
RD C	F.150	1	15.80	—	—	—	—	F.165.80
RD C	F.160	58	6.50	18	9.40	—	—	"
RD C	F.170	209	1.20	60	3.60	22	6.50	"
RD P	F.140	—	—	10	0.70	—	—	"
RD P	F.145	—	—	2	1.50	—	—	"
RD P	F.150	—	—	20	2.50	16	3.30	"
RD P	F.160	159	0.90	6	5.20	—	—	"
RD P	F.170	58	5	—	—	4	12	"
UNI C	F.115	24	3	—	—	—	—	F.117.10
UNI C	F.120	27	0.50	—	—	2	3	"
UNI P	F115	10	0.70	—	—	—	—	"
		Aug.		Nov.		Feb.		
MMW C	DM.120	—	—	27	5.10	—	—	DM118.50
MMW C	DM.130	—	—	12	1.50	—	—	"
SLB C	$120	2	3¼	—	—	—	—	$117⅞

TOTAL VOLUME IN CONTRACTS 1230

C=Call P=

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Country Gents Assoc.	20	—	17.92	20	17.92
Grovebell	Nil	—	0.5	0.5	1.0
Plessey	4.01‡	Jan. 2	3.65	6.94	6.31
Rediffusion	4	July 31	4.38	5.25	5.25
Scapa	3.75	Aug. 22	3.55	6.55	6.25
Schlesinger Amer. Invs. 2nd int.	4.25	July 31	4.25	7.25	7.25
Utd. Guarantee ......int.	0.23	July 31	0.23	—	0.5
B. S. and W. Whiteley	Nil	—	1.25	Nil	1.25

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Corrected.

CORAL INDEX: Close 462-467 (—2)

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

The City registered surprise on Wednesday when **Vickers** and **Rolls-Royce Motors** announced a planned merger. The basis of the deal is one Vickers share for two R-R shares. It was thought that Vickers would not make any major moves until it had agreed compensation terms with the Government for its shipbuilding and aerospace nationalisation, but the group announced, also on Wednesday, that it had completed the sale of part of its office equipment interests to CIT-Alcatel, the French electronics group, for £25m, freeing about £13m of borrowings in the process.

Foseco Minsep, the specialist chemical group, made a £38m agreed bid for **Unicorn Industries** on the basis of four Foseco ordinary shares plus three 8¼ per cent convertible second preference shares of £1 each and £3 of 10 per cent convertible loan stock for ten Unicorn *shares. An alternative offer of eight* Foseco ordinary shares for every ten Unicorn is also available; this latter values Unicorn at approximately 131p per share, which compares with a market price of 85p prior to the bid approach announcement.

Engineering concern **Dobson Park** made an agreed £14.2m bid for **Wolf Electric Tools**, the electric hand tool and accessory *group. Dobson is offering eleven of its own shares,* or eight shares plus 360p cash, for every twelve Wolf shares, valuing each Wolf share at around 109p. This compares with a price of 62p when the shares were suspended on Monday.

Far-Eastern plantation and investment group **Yule Catto**, which acquired a 29.5 per cent stake in **Revertex** in April, at 40p per share, has followed the move up with a bid for the remaining shares, but the offer has been rejected as unsatisfactory. The terms of the bid are nine Yule Catto shares plus 15 new 11¼ per cent cumulative redeemable preference shares 1998-2003 for very 50 Revertex ordinary shares, which values the outstanding equity at just over £5m, or about 50p per share.

Dealings in **Bio-Kil Chemicals**, the Worcester-based chemical manufacturer, which made its debut on the unlisted securities market late last year, *were suspended at the company's request* following an approach which may lead to an offer for the issued share capital.

United Biscuits, through its American subsidiary Keebler, is expanding further into the U.S. with the £15.4m acquisition of the **Ready Crust** product line from **Ward Foods**. The acquisition of Ready Crust will be UB's second major U.S. purchase since it bought Keebler, the country's second largest biscuit maker, for $52m in 1974. Last April, UB paid $60m for Speciality Brands, which distributes and prepares salad dressings and spices.

Thorn EMI and **General Electric** of the U.S. began urgent talks aimed at restructuring their £16m medical scanner deal after an anti-trust warning was issued by the Justice Department of Washington. The Department alleges that the deal as it stands would tend to create a monopoly, or lessen competition.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
	Prices in pence unless otherwise indicated.					
Barget	12*‡	20	18	8.56	Tinnox	—
Bishopsgate Prop.	5*§	5	5	0.36	Bkly. Hambro	—
Christy Bros.	30*	36	33	0.60	Simon & Coates	—
Cray Elect.	31*§	38	34	0.93	Thrgmrtn. Tst.	—
Doloi Tea	270*	275	275	0.29	Tategold	—
Keyser Ullmann	88	87	70††	45.2	Chrtrhse. Grp.	—
Lidstone	280*	360	290	0.51	Greewalk Nominees	—
L. K. Industrial Invs.¶¶	16½*	18	16	0.20	Caparo Invs.	—
Lond. & Prvncl. Poster	500*§	470	287††	9.12	Reed Intl.	—
Manson Trust	39*	35	333	3.84	Hong Leong Finance	—
McCleery L'Amie	19§§	18	17	2.43	Lamont	—
Nationwide Leisure	6*§	6	9	0.66	Rantlodge	—
Revertex	50§	51	44	5.02	Yule Catto	—
Rolls-Royce	65	72	56	38.41	Vickers	—
Steaua Romana	10*	42	7	0.25	Eng. Assoc.	—
Turner (W. & E.)	87½*	85††	48††	9.07	J. Hepworth	—
Unicorn Inds.	131☆	120	121	38.3	Foseco Minsep	—
Wolf Electric	108½	106	62	13.99	Dobson Park	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. || Date on which scheme is expected to become operative. ** Based on 27/6/80. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ☆ Ordinary share alternative.

Rights Issues

Anderson Strathclyde—Rights issue on the basis of one for four at *65p to raise £5.9m.*

Astbury and Madeley—Rights issue on the basis of one for eight at 103p per share to raise £614,000.

Brengreen Holdings—Rights issue on the basis of one for four at 18p per share and five for every £2 nominal of 10 per cent Convertible Unsecured Redeemable Loan Stock to raise £834,000.

Clive Discount—Rights issue on the basis of two for five at 34p per share to raise £2m after expenses.

Ferranti—Rights issue on the basis of one for one at 100p per share to raise £21.33m.

† Approximate figure before expenses.

Offers for sale, placings and introductions

SPO Minerals—Placing *1.5 million shares of 10p each at 80p to* raise £1.1m net.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
ACC	Mar.	14,100	(16,300)	22.2	(16.8)	8.0	(8.0)
Anderson Strath	Mar.	5,900	(4,100)	12.2	(9.1)	4.0	(3.0)
Attwood Garages	Jan.	73	(93)	1.2	(1.6)	1.45	(1.45)
Austin (E.)	Mar.	511	(442)	41.2	(37.6)	5.25	(4.38)
Baradora Tea	Dec.	39L	(428)	8.1	(23.2)	5.0	(2.0)
Barlow Holdings	Dec.	3,980	(—)||	3.7	(—)||	3.0	(—)||
B.E.T. Omnibus	Mar.	9,140	(8,160)	84.8	(80.7)	12.0	(10.5)
Booth (John)	Mar.	30	(194)	3.6	(10.4)	1.0	(2.16)
BPB Industries	Mar.	47,100	(35,400)	37.8	(28.5)	9.0	(6.6)
Brengreen Hldgs.	Mar.	431	(265)	2.5	(1.1)	0.5	(0.25)
Brckhse. Dudley	Mar.	2,540	(2,280)	7.7	(7.2)	3.2	(2.77)
Bridgend Process	Dec.	379L	(94)L	—	(—)	—	(—)
British Dredging	Dec.	408L	(14)L	—	(1.9)	—	(—)
Brown & Tawse	Mar.	4,160	(3,810)	20.6	(30.7)	6.4	(5.8)
Burnett & H'shre	Mar.	7,320	(3,530)	89.6	(52.5)	8.0	(6.13)
Cattles	Mar.	974	(1,600)	2.5	(4.7)	2.1	(2.1)
Charter Cons.	Mar.	52,349	(44,547)	26.6	(21.9)	8.35	(0.69)
Chubb & Son	Mar.	7,220	(15,260)	4.9	(18.4)	5.43	(5.34)
Cocksedge Hldgs.	Mar.	750L	(530)	—	(23.2)	—	(4.84)
Control Secs.	Mar.	502	(141)	4.5	(1.9)	2.1	(0.86)
Cropper (James)	Mar.	887	(576)	53.8	(34.9)	4.0	(2.5)
Dennis (James H.)	Mar.	40	(181)‡	—	(4.8)‡	3.6	(2.11)‡
Dixor Strand	Mar.	297L	(7)L	—	(—)	—	(—)
Dorrington Inv.	Mar.	1,010	(789)	6.4	(5.7)	4.0	(3.45)
Durapipe Intl.	Mar.	806	(1,000)	6.6	(8.5)	2.6	(2.36)
Eastern Produce	Dec.	3,070	(2,832)	14.8	(13.2)	4.62	(4.42)
Electrocompnts.	Mar.	13,050	(10,004)	35.7	(26.9)	8.75	(6.5)
Elliott (B.)	*Mar.*	*11,390*	*(9,450)*	*46.9*	*(44.0)*	*12.25*	*(10.0)*
Elliott Group	Mar.	651	(813)	5.4	(4.0)	1.0	(1.0)
Evans of Leeds	Mar.	2,100	(1,850)	7.2	(6.2)	3.0	(2.5)
Ex-Lands	Dec.	63	(110)	1.2	(1.6)	0.56	(0.56)
Ferranti	Mar.	11,200	(9,900)	47.9	(42.2)	6.9	(5.75)
F.F.I.	Mar.	28,800	(25,400)	15.6	(14.3)	5.0	(2.0)
Giltspur	Mar.	4,580	(4,520)	16.3	(16.3)	4.2	(3.5)
Grant (James)	Jan.	1,060	(1,155)	20.3	(27.6)	—	(—)
Halma	*Mar.*	*1,450*	*(1,130)*	*6.9*	*(4.9)*	*1.35*	*(1.04)*
Hickling Pentecst.	Mar.	744	(894)	28.0	(26.6)	9.0	(8.6)
Holden (Arthur)	Mar.	2,140	(1,820)	20.4	(17.9)	5.0	(4.0)
Humphries Hldgs.	Mar.	1,050	(600)	8.6	(9.2)	—	(—)
J'hns'n & Barnes	Dec.	144L	(18)Lb	—	(—)	—	(—)
Joseph (Leopold)	Mar.	489¶	(488)¶	18.6	(18.6)	9.5	(9.5)
L.C.P.	Mar.	6,510	(6,060)	8.6	(9.2)	4.3	(3.67)
Marshalls Halifax	Mar.	3,200	(2,670)	44.9	(34.8)	9.0	(7.5)
Mercantile House	Apr.	3,500	(2,605)	29.2	(23.9)	12.5	(10.7)
Moorgate Merc.	Mar.	400	(295)	2.6	(1.7)	0.75	(0.5)
Moran (C.)	Jan.	1,850	(2,040)	4.8	(5.3)	4.0	(4.0)
Paterson (R.)	Mar.	537	(780)	3.1	(4.8)	2.04	(3.38)
Plessey	Mar.	60,099	(46,248)	16.7	(13.1)	6.94	(6.31)
Polymark Intl.	Dec.	1,580	(1,120)	15.8	(10.3)	3.7	(3.04)
Powell Duffryn	Mar.	15,884	(12,179)	39.9	(29.9)	13.25	(11.0)
Prop. Ptnrships.	Mar.	667	(397)	8.7	(5.5)	4.5	(2.5)
Radiant Metal	Feb.	269	(196)	10.6	(7.2)	3.0	(2.1)
Redland	Mar.	57,290	(45,200)	20.9	(19.6)	6.67	(5.24)
Renold	May	1,050	(1,650)	4.8	(8.0)	2.0	(2.0)
Renwick Group	Mar.	6,221	(10,199)	7.9	(14.9)	8.0	(10.25)
Shaw Carpets	Mar.	1,600	(1,570)	15.1	(18.3)	3.5	(3.0)
Sketchley	Mar.	5,740	(4,940)	38.4	(28.8)	5.2	(3.29)
Somic	Mar.	137	(254)	3.1	(7.5)	2.68	(2.56)
Stead & Simpson	Mar.	3,810	(3,300)	13.2	(11.5)	3.25	(2.75)
Swan (John)	Apr.	164	(210)	10.9	(15.0)	6.75	(6.25)
Tecalemit	Mar.	4,770	(4,610)	11.4	(12.6)	3.13	(3.13)
Textured Jersey	Apr.	835	*(673)*	*16.4*	*(13.2)*	4.5	(3.0)
Wheyway Watson	Mar.	510	(910)	1.2	(3.4)	1.16	(1.0)
Whitecroft	Mar.	4,570	(5,030)	12.7	(20.1)	7.7	(7.7)
Whittington Eng.	Mar.	184	(225)a	10.0	(14.7)a	3.5	(4.27)a
Wilkinson Match	Mar.	14,072	(19,002)	14.6	(34.4)	9.0†	(11.37)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Braid Group	Mar.	180L	(275)	—	(0.56)
Cronite Group	Mar.	145	(237)	0.8	(0.8)
First National	Apr.	825	(3,870)	—	(—)
Flexello Castors	Mar.	171	(427)	1.41	(1.41)
Great Northern	May	2,690	(1,930)	2.0	(1.5)
Hards & Hansons	Mar.	1,170	(900)	3.1	(2.8)
Henlys	Mar.	438	(2,130)	3.0	(3.0)
Jackson (J&HB)	Mar.	1,820	(1,520)	0.75	(0.65)
Kenning Motor	Mar.	2,550	(2,710)	1.75	(1.75)
Lonsdale Univ.	Mar.	712	(840)	1.85	(1.67)
Lookers	Mar.	406	(804)	1.4	(1.4)
Muirhead	Mar.	29	(931)	—	(2.2)
Rhodesian Corp.	Mar.	992	(204)	—	(—)
Trident TV	Mar.	5,170	(4,820)	1.28	(1.1)
Trusthouse Forte	Apr.	19,300	(19,200)	2.25	(2.0)
Vectis Stone	Mar.	323	(250)	0.6	(0.5)
Western Selection	Mar.	179	(90)	1.0	(0.86)
Whatlings	Mar.	99	(280)L	0.9	(0.9)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated. † 9p to date in current 18 months period. ‡ For previous seven months. L Loss. ¶ Profits after tax. || No comparative figures. § Net losses. a For previous 15 months. b For 18 months period.

Scrip Issues

E. Austin and Sons—Three for one.

Control Securities—One for ten.

Marshalls (Halifax)—One for one.

Tecalemit—One for two.

BSG makes big cuts in costs

MASSIVE CUTS in overheads at the expense of hundreds of jobs have been made by BSG International, particularly in *non-productive areas,* shareholders were told at yesterday's annual meeting. The Board's aim is to reduce the company's gearing to about 0.6-to-1 by the middle of 1981.

This is a programme activated by the Board in which it will be helped by the company's merchant bankers.

The management consultancy division of Arthur Andersen and Co. has been called in to streamline and check internal systems and procedures in the distribution and manufacturing companies.

At other meetings the chairmen said:

Matthew Hall and Co.—"At home we continue to win a good share of the available workload in the *construction industry.*"

P. C. Henderson Group—"We continue to be cautious but remain confident of our ability to weather current conditions and to maintain our progressive trend over the medium term."

French Kier Holdings—"I believe that the outcome of the group's 1980 trading year will be a reasonably satisfactory result in all the prevailing circumstances."

IN BRIEF

LONDON AND ASSOCIATED INVESTMENT TRUST—No dividend for 1979 (same). Loss £54,222 (£91,158 profit) before tax £20,160 (£33,311). Attributable loss £914,467 (£1,785 profit) after extraordinary debits £840,085 (£56,082). Chairman states since financial year-end company has disposed of quoted *shares to value of some £400,000. This* has eliminated most remaining short-term borrowings and now virtually without gearing except for small-term loans which will be amortised over next five years and the unsecured loan stock which he anticipates will be converted into ordinary shares in due course. Company has retained bulk of portfolio which has market value of about £500,000.

JOHN J. LEES (confectionery manufacturers)—Sales for year to March 31, 1980, £1.69m (£1.48m). Profit £93,857 (£77,161) before tax £35,640 (£30,495). Earnings per 10p share 5.82p (4.67p). Final dividend 1.85p, making 2.5p (2.3p) net.

HELLENIC AND GENERAL TRUST—Gross income for year to March 31, 1980, £1,254,459 (15 months £1,093,470). Pre-tax profit £1,194,863 (£944,895). Tax £546,862 (£415,163). Company is owned by Merchandise and Investment Trust, a wholly-owned subsidiary of Hambros.

SCHLESINGER AMERICAN INVESTMENTS—Net income for year to April 30, 1980, £408,055 (£476,792). Second interim 4.25p, making 7.25p (same), payable July 31.

NORTHERN GOLDSMITHS COMPANY (retail jeweller and bookmaker)—Results for year to February 29, 1980, *reported June 18. Shareholders' funds* £3.13m (£2.62m), bank balances and cash £49,444 (£81,226), hire purchase creditors £466,011 (£251,846). Chairman states that an increased contribution is expected from bookmaking, but current year trading for the jewellery division has started very quietly. Meeting, Newcastle upon Tyne, July 18 at noon.

NORTHERN SECURITIES TRUST—Results for year to March 31, 1980, announced June 20. Investments £7.11m (£7.96m). Meeting, 16, Finsbury Circus, EC2, July 17, 12.30 pm.

EASTERN PRODUCE (HOLDINGS)—Results for 1979 already reported. Deposits, balances and cash, £2.26m (£2.67m). Creditors, £8.14m (£7.4m). Overdrafts, £1.06m (£1.07m). Bank loans, £563,000 (£701,000). Reserves, £5.88m (£4.79m). Walter, Duncan and Goodricke interested in 26.25 per cent of ordinary. Meeting, Winchester House, EC, July 22 at noon.

Stock Exchange dealings

Thursday, June 26	21,899
Wednesday, June 25	20,268
Tuesday, June 24	19,891
Monday, June 23	22,499
Friday, June 20	21,972
Thursday, June 19	23,114

The list below gives the prices at which bargains were done by members of the Stock Exchange and recorded in last Thursday's Stock Exchange Daily Official List. For those securities not marked in Thursday's List, we show the latest markings recorded during the previous four business days. These are distinguished by the dates shown in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted, shares are £1 fully paid and stock £100 fully paid.

Members are *not obliged* to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 pm only, but later transactions can be included in the following day's Official List. The figures shown above, on the other hand, are the total number of bargains transacted in all securities up to 3.30 pm. No indication is available as to whether a bargain represents a sale or purchase. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. Φ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mx—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS (552)

[illegible]

CORPORATIONS (26)

[illegible]

COMMONWEALTH GOVTS. (4)

[illegible]

COMMONWEALTH CORPS. (—)

[illegible]

FOREIGN STOCKS (4)

[illegible]

BANKS (155)

[illegible]

National Westminster Bank 368Φ 70 68 9 72. 7pcPrf. 52¼Φ 50‡ 3½. 8¼pcLn. 98¼. 9pcLn. 1993 70

Rea Brothers (25p) 65 (20/6)

Royal Bank of Canada ($C2) 18⅛Φ 18Φ ⅛Φ

Royal Bank of Scotland Group (25p) 53Φ

Schroders 270Φ 5

Seccombe Marshall Campion 240 (23/6)

Smith, St. Aubyn Co. (Holdings) (25p) 141

Standard Chartered Bank 503Φ 500 7. 13½pcLn. 101 (25/6)

Union Discount Co. of London 460 (25/6)

Wells Fargo & Co. Shs. of Com. Stk. ($US5) 11⅞ (24/6)

BREWERIES (122)

Allied Breweries (25p) 83 4 2½ 2 3½. 5½pcPrf. 40½ (24/6). 4¼pcDeb. 74½ (25/6). 6¼pcDeb. 63¾ (25/6). 7¼pcDeb. 62½ (24/6). 7¼pcLn. 61 (25/6)

Amalgamated Distilled Products (10p) 40 ½ (24/6)

Bass (25p) 226Φ 30 1. 3¼pcDeb. 45¼‡. 8¼pcDeb. 70 69 (20/6). 4½pcLn. 40 (23/6). 7¼pcLn. 61½Φ

Bass Investments 7¾pcLn. 59¼ (25/6)

Belhaven Brewery Group (25p) 26 7

Bell (Arthur) Sons (50p) 178 80 (25/6)

Boddington Breweries (25p) 93. New (25p) 93 (24/6)

Border Breweries (Wrexham) (25p) 86Φ

Brown (Matthew) Co. (25p) 141½ (24/6)

Buckley's Brewery (25p) 48½ (23/6)

Bulmer (H. P.) Holdings (25p) 187Φ. 9½pc Prf. 86 (24/6)

Burtonwood Brewery (Forshaws) (25p) 250 (24/6)

City of London Brewery Investment Trust Pfd. 137. Dfd. Stk. (25p) 72¼Φ 2Φ

Clark (Matthew) Sons (Holdings) (25p) 136 (24/6)

Courage 8pc2ndDeb. 63¾ (20/6). 6½pcLn. 47½ (23/6). 10½pcLn. 76½ (24/6)

Davenports' Brewery (Holdings) (25p) 117

Distillers Co. (50p) 201Φ 195Φ 9½Φ 202Φ 200Φ 30 196 7 8. 7¼pcLn. 60Φ 2Φ. 10.5pcLn. 79¼Φ

Greenall Whitley Co. (25p) 205 3. 8pcPf.

[illegible]

COMMERCIAL (1,898)

[illegible]

Anglo-American Industrial Corp. (R1) 920Φ

Appleyard Group of Companies (25p) 46½ 9 (20/6)

Aquascutum and Assoc. Cos. Ltd. (5p) 28 (18/6)

Arenson (A.) (Hldgs.) (10p) 36

Ariel Industries (25p) 70

Arlen Electrical (25p) 49 (25/6)

Arlington Motor Hldgs. (25p) 87 (23/6)

Armitage Shanks Group (25p) 97 (24/6)

Armstrong Equipment (10p) 42½Φ

Arncliffe Hldgs. (10p) 36 (23/6)

Arrow Chemicals Hldgs. (25p) 40

Ash and Lacy (25p) 172Φ

Associated Biscuit Manufacturers (20p) 80 (25/6)

Associated British Engineering (12½p) 18½Φ

Assd. British Foods (5p) 95Φ 5. 7½pcLn. 1987-2002 (50p) 28½ (23/6)

Assd. Communications A (25p) 94 (25/6)

Assd. Dairies Group (25p) 186Φ 3 2 4

Assd. Electrical Inds. 6pcDb. 81½ (25/6). 6¼pcDb. 61 (23/6)

Assd. Engineering (25p) 58Φ 9Φ 8½Φ ¼

Assd. Fisheries (25p) 63

Assd. Leisure (5p) 97½Φ

Assd. Newspapers Group (25p) 312Φ 10

Assd. Paper Inds. (25p) 39 (24/6)

Astbury Madeley (Hldgs.) New (20p) 17⅛Φ 17Φ 18 19 pm

Astra Industrial Group (10p) 11 (23/6)

Atkins Bros. (Hosiery) (25p) 42 (20/6)

Attwood Garages (25p) 40Φ

Audio Fidelity (10p) 22 (24/6)

Audiotronic Hldgs. (10p) 4 (25/6)

Ault Wiborg Group (25p) 40 (25/6)

Aurora Hldgs. (25p) 52. 5pcPf. 66

Austin (E.) Sons (London) (25p) 150Φ

Automated Security (Hldgs.) (10p) 280 (24/6). 8pcLn. 144

Automotive Products (25p) 72 69½ (25/6)

Avana Group (5p) 129Φ 31Φ 2

Avon Rubber 116

BAT Industries (25p) 263 58 5 60 57 6

BBA Group (25p) 39 (24/6)

BICC (50p) 122Φ 2. 7pcDb. 81¼ (24/6)

BL (50p) 16Φ 18

[illegible]

Brown and Tawse (25p) 132Φ

Brown Boveri Kent (Hldgs.) (25p) 29½

Brown Brothers Corpn. (10p) 28

Brown (John) (25p) 49Φ 9 51. 4¾pcLn. 37 (23/6)

Brown (N.) Investments (20p) 35 (20/6)

Brownlee (25p) 86 (24/6)

Brunning Grp. Restricted Vtg. (25p) 37 (20/6)

Bryant Hldgs. (25p) 61 (24/6)

Bulgin (A. F.) A NonVtg. (5p) 29Φ

Bulmer and Lumb (Hldgs.) (20p) 35

Bunzl Pulp and Paper (25p) 99Φ

Burco Dean (25p) 23 (24/6)

Burndene Inv. (5p) 8 (20/6)

Burnett and Hallamshire Hldgs. (25p) 650Φ

[illegible]

Church (25p) 170 (24/6)

Clay (R.) (25p) 58 (25/6)

Clifford (C.) Indust. 6pcPf. 33 (20/6)

Clifford's Dairies A (NV) (25p) 97 191 100 (20/6). New A NV (25p) 102 (23/6)

Coalite Group (25p) 115 16½

Coates Bros. A NV (25p) 156 (23/6)

Coats Patons (25p) 54Φ ½ 4. 4½pcLn. 33 (24/6). 6¼pcLn. 49 (24/6)

Cohen (A.) (25p) 200 (24/6)

Cole (R. H.) (25p) 87Φ

Colgate Palmolive ($US1) 5⅞ (20/6)

Collins (William) (25p) 90 1. A Non-Vot. (25p) 87

Combined English Stores (12½p) 38 4½ 4 (25/6)

Comet Radiovision Services (5p) 91

[illegible]

Dewhurst A NV (10p) 73 (20/6)

Diamond Stylus (10p) 14 (24/6)

Dickinson Robinson (25p) 98. 7¼pcLn. 63½ (23/6)

Dinkie Heel (5p) 16½Φ

Diploma (25p) 454 (25/6)

Dixon (25p) 111 15 (25/6)

Dixons Photo. (10p) 99 ¼ 100 (24/6)

Dobson Park Inds. (10p) 117 ½

Dom (10p) 100

Dorada (25p) 51 (24/6)

Continued on Page 22

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1980 high	1980 low
LASMO	25p	17	792	+42	792	337
Ferranti	50p	11	585	−10	605	400
BP	25p	8	374	− 6	412	320
Plessey	50p	8	181	+ 3	181	108
Premier Cons.	5p	8	101	+ 3	101	39½
Johnson Matthey	£1	7	367	+20	367	205
Racal Electronics	25p	7	266	− 4	270	175
Tricentrol	25p	7	400	+14	414	250
BAT Inds.	25p	6	253	− 5	276	223
Barclays Bank	£1	6	395	+ 4	408	327
Commercial Un.	25p	6	144	—	150	125
Land Secs. 'New'	Nil/pd.	6	60pm	− 4	70pm	44pm
Reckitt & Colman	25p	6	188	—	216	162
Renold	£1	6	70	—	88	56
Unicorn Inds.	25p	6	120	− 3	125	78

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1980 high	1980 low
LASMO	25p	94	792	+80	792	337
BP	25p	47	374	+ 8	412	320
Plessey	50p	47	181	+21	181	108
Premier Cons.	5p	46	101	+ 8	101	39½
ICI	£1	43	382	− 2	402	348
Johnson Matthey	£1	42	367	+37	367	205
BAT Inds.	25p	41	253	−23	276	223
Ferranti	50p	40	585	+35	605	400
Charter Cons.	2p	39	203	− 4	210	134
GEC	25p	39	404	+10	410	326
RTZ	25p	35	423	− 2	485	327
Shell Transport	25p	35	402	− 2	410	314
Land Secs. 'New'	Nil/pd.	34	60pm	− 4	70pm	44pm
Marks & Spencer	25p	34	90	− 6	97	77
NatWest Bank	£1	32	368	−10	380	305

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest %	Interest payable	Minimum sum £	Life of bond Year
Knowsley (051 548 6555)	14	½-year	1,000	1

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares %
Abbey National	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Aid to Thrift	10.85	11.37	—	—
Alliance	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Anglia Hastings and Thanet	10.25	10.50	11.75	13.00 6 yrs., 12.50 5 yrs.
Bradford and Bingley	10.25	10.50	11.75	11.25 one month's notice deposit
Bridgwater	10.25	10.50	12.00	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Bristol and West	10.25	10.50	11.75	—
Bristol Economic	10.25	10.50	11.75	10.75 3 months
Britannia	10.25	10.50	11.75	12.50 5 yrs., 11.25 3 months' notice
Burnley	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Cardiff	10.50	11.50	12.50	—
Catholic	10.05	10.75	11.65	— Share a/cs 10.95 over £5,000
Chelsea	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.55 6 mths.
Cheltenham and Gloucester	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Cheltenham and Gloucester	—	11.50	—	— Premium shares including 1.00 bonus p.a. (£15,000 or £20,000)
Citizens Regency	10.25	10.85	12.05	12.85 5 yrs., 12.35 4 yrs., 11.85 3 yrs.
City of London (The)	10.50	10.80	11.80	12.00 Capital City shares—4 mth. not.
Coventry Economic	10.25	10.50	11.75	12.00 4 yr., 11.5 3 yr., 11.25 3 mth. not.
Coventry Provident	10.25	10.50	12.50	12.55 av' 5 yrs., 12 4 yrs., 11.25 3 m.n.
Derbyshire	10.25	10.50	11.75	11.10 3 months' notice
Ealing and Acton	10.25	11.00	—	11.65 2 years, £2,000 minimum
Gateway	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Greenwich	—	10.75	12.00	12.75 5 yrs., 12.25 4 yrs., 11.75 3 yrs.
Guardian	10.25	10.75	—	12.25 6 mths. not., 11.75 3 mths. not. min. £1,000
Halifax	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Heart of England	10.25	10.50	11.75	12.50 5 yrs., 11.00 3 mths. notice
Hearts of Oak and Enfield	10.25	10.75	12.25	12.00 4 yrs., 11.75 3 yrs., 11.50 2 yrs.
Hendon	10.50	11.00	—	12.00 6 months, minimum £2,000
Huddersfield and Bradford	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Lambeth	10.25	10.75	12.50	12.50 5 yrs., withdrawals aft. 18 mths.
Leamington Spa	*10.35*	*10.60*	*14.19*	*12.55 5 yrs., 12.30 4 yrs., 11.90 3 yrs.*
Leeds Permanent	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Leicester	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Liverpool	10.25	10.50	11.95	12.50 5 years, minimum £1,000
London Goldhawk	10.50	10.75	12.00	11.75 3 yrs., 11.50 2 yrs., 11.25 1 yr.
Melton Mowbray	10.35	10.60	11.75	12.10 4 yrs., 11.35 2 yrs.
Mornington	10.75	11.25	—	—
National Counties	10.50	10.80	11.80	11.90 6 mth., 11.35 3 mth., min. £1,000
Nationwide	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
New Cross	11.00	11.25	—	11.25-12.50 on share accs. depending on min. balance over 6 mths.
Northern Rock	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Norwich	10.25	10.50	12.00	11.50 3 yrs., 11.25 2 yrs., min. £500
Paddington	10.00	11.00	12.50	11.75 6 month, 11.50 3 months
Peckham Mutual	10.50	11.25	—	—
Portman	10.25	10.50	11.75	12.50 5 yrs., 11.55 6 months' notice
Property Owners	10.25	11.00	12.25	12.50 av. 4 yr., 12 6 mth., 11.55 3 mth.
Provincial	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Skipton	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Sussex County	10.50	10.75	12.55	12.55 5 yrs., 12.15 4 yrs., 11.75 3 yrs.
Sussex Mutual	10.50	10.85	12.50	11.25-13.10 all with special options
Town and Country	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Walthamstow	10.25	10.60	11.75	12.60 5 yrs., 11.6 6 mth. not. min. £500
Wessex	10.50	11.20	—	12.20 6 mth. not. WDL min. 3 yrs.
Woolwich	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.

* Rates normally variable in line with changes in ordinary share rates.

All these rates are after basic rate tax liability has been settled on behalf of the investor.

WORLD STOCK MARKETS

Dow off 4.1 at mid-session

AFTER THURSDAY'S late downturn, shares on Wall Street eased further in moderate trading as investors continued to take profits on the recent strong market advance.

The Dow Jones Industrial Average was down 4.10 to 879.35 at 1 pm. The NYSE All Common Index shed 0.27 at $66.17. Turnover came to 23.36m shares, compared with 31.68m at 1 pm on Thursday. Declines led gains by a seven-to-four ratio.

Citibank lowered its prime rate to 11½ per cent from 12 per cent, joining Morgan Guaranty at that level, and was followed by Bankers Trust. However, the market, which rallied for two months this spring on falling interest rates, gave the moves little notice.

Twentieth Century-Fox lost $2¼ to $36⅝ and Chris-Craft Industries $1⅛ to $23½. On Thursday Chris-Craft rejected a $45 a share Fox bid for the Fox stake held by Chris-Craft. Fox said it would not pursue the purchase.

Some major Retailers shed fractions. K. Mart eased $⅜ to $23⅜, J. C. Penney $½ to $25¼, Sears $⅛ to $17¼ and R. H. Macy $½ to $43⅞, but F. W. Woolworth picked up $⅛ to $26⅜.

Higher bullion prices aided Precious Metal issues. ASA added $1½ to $52⅞, Dome Mines $3½ to $93¾, Homestake $1⅞ to $64½ and Campbell Redlake $2⅞ to $49¼.

Volume leader Esmark dropped $1⅝ to $47⅞. It will take a $200m to $300m write-off in the current quarter on the closing of some fresh meat operations.

Great Atlantic and Pacific Tea eased $¼ to $5¼. It reported a fiscal first-quarter loss of $14.9m after a profit of $4.62m a year earlier.

THE AMERICAN SE Market Value Index was up 1.13 to 295.50 at 1 p.m. Volume was 2.7m shares (4.24m). Declines led advances by a five-to-four ratio.

Closing prices for North America were not available for this edition.

Canada

Markets were mixed in moderate trading after Thursday's gains. The Toronto Composite index was up 2.0 to 2,059.2 at noon, but the *Metals and Minerals* index was off 1.8 at 1,870.2. Oil and Gas rose 10.7 to 4,779.6, and Gold, 101.1 to 4,228.8.

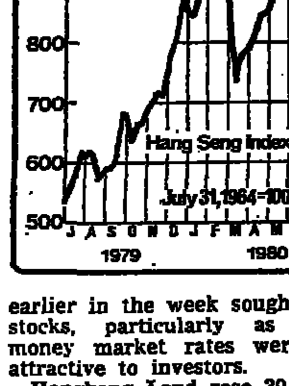
The Montreal Industrial index was down 0.66 to 378.79 at noon, and the Composite index shed 0.62 to 350.17.

Lynx-Canada, the most active stock, was up 12 cents, to C$1.40 on 71,100 shares. Imperial Oil 'A' rose C$⅜ to C$45⅞ and Dome Petroleum C$½ to C$85¼.

Hong Kong

Stocks continued Thursday's advance in hectic trading yesterday. The Hang Seng index achieved a new seven-year peak for the second consecutive day, gaining 14.74 to close at 1,041.43. Turnover on the four exchanges was HK$ 350.24m (HK$ 351.37m).

Dealers said cash released from the purchas eof Hongkong Wharf shares by Y. K. Pao



earlier in the week sought new stocks, particularly as local money market rates were unattractive to investors.

Hongkong Land rose 30 cents to HK$ 13.80, Jardine Matheson HK$ 1 to HK$ 18, and Hang Seng Bank HK$ 5 to HK$ 130, but Hongkong Wharf dropped HK$1.50 to HK$ 73.00.

Among other market leaders, Cheung Kong gained 20 cents to HK$ 15.70, Hutchison Whampoa 10 cents to HK$ 9.20 and Hong Kong Electric 5 cents to HK$ 6.40, while Swire Pacific "A" fell 10 cents to HK$ 8.00.

Some stocks went against trend, with Wheelock losing 2 cents to HK$ 4.85, Cross Harbour 10 cents to HK$ 11.20 and Hong Kong Hotels 25 cents to HK$ 42.50.

Australia

After Thursday's advance, led by Oil and Gold Mining issues, stocks were mixed with some evidence of profit-taking. The Sydney All Ordinaries Index was up 0.27 at 898.84, while the Metals and Minerals sub-group index shed 3.98 to 5680.91.

In Gold Miners Central Norseman closed 10 cents down at A$10.60, Kalgoorlie rose 30 cents to A$8.30 and Valiant 20 cents to A$1.80. Poseidon put on 15 cents at A$4.00 while North Kalgoorlie shed 5 cents at A$1.75.

In Oils Crusader rose 5 cents to $A3.70, Hartogen 15 to A$4.60, Bridge rose 10 cents to A$4.05 and Woodside 3 to 3.28.

Offshore firmed 1 cent to 41 cents but Oilsearch at 32 cents, Vamgas at A$6.00, and Santos at A$14.00 were unchanged, while Ampol Exploration eased 5 cents to A$2.60.

Tokyo

Share prices continued higher after Thursday's gains, under the lead of Speculatives and Blue Chips. Trading was moderately active, with trading volume at 370m shares, up 80m from Thursdaq's 290m. The Nikkei-Dow Jones Average rose 24.50 to 6,825.03, and the Tokyo SE index 0.28 to 470.44.

Sony, which traded actively in the New York stock market on Thursday, continued to advance here, gaining Y80 to Y2,280. Because of Sony's advance, other Light Electricals remained firm. Victor put on Y30 to Y1,650.

Recently neglected Non-ferrous Metals also closed higher on cheap buying with Dowa Mining up Y19 to Y480 and Nippon Mining Y7 to Y297.

But Steels and some Oils fell on liquidations. Nippon Oil fell Y20 to Y1,660 after a firm start and Teikoku Oil shed Y40 at Y1,110.

Pharmaceuticals were firm, with Takawe Pharmaceutical and Takara Shuzo being hunted by speculative investors.

Germany

Shares closed mixed after recovering from the morning's lower levels. The Commerzbank Index slipped 4.50 to 720.40.

In Engineerings KHD put on DM 3 after forecasting higher 1980 turnover. In Automobiles, Daimler fell DM 3.7 to DM 263.3, Volkswagen shed DM 1.2 to DM 178.8, but BMW gained 5 pfennigs to close at DM 151.

Deutsche Babcock closed DM 5 down at DM 194.5.

Public Authority Bonds prices fluctuated narrowly, and the Bundesbank sold a net DM 8.4m of paper, after sales yesterday of DM 1.4m.

Paris

Share prices held mostly steady in fairly active trading, consolidating gains made earlier in the week.

Most sectors were little changed but Electricals, Oils and Cars showed strong losses.

Peugeot SA, which changed its name from Peugeot Citroen, lost FFr 9.8 to FFr 230.2 after forecasting a more difficult year in 1980. Matra dropped FFr 20 to FFr 9,340 despite higher 1979 group net profits.

Banks and Insurances tended mixed.

Johannesburg

Continuing Thursday's gains, Golds closed higher in response to the rise in the gold price but trading was fairly quiet ahead of the weekend with only light overseas interest noted.

Indices

NEW YORK —DOW JONES

	June 26	June 25	June 24	June 23	June 20	June 19	1980 High	1980 Low	Since Cmpil't'n High	Since Cmpil't'n Low
• Industr'ls	885.45	887.54	877.58	873.31	869.71	870.90	903.84 (13/2)	759.13 (21/4)	1051.70 (11/73)	41.22 (2/7/32)
H'me B'nds	75.84	75.89	76.15	76.61	76.60	76.58	78.81 (25/5)	63.87 (28/3)	—	—
Transport	276.12	275.59	271.92	269.75	269.02	270.32	305.80 (8/2)	233.99 (27/3)	305.80 (8/2/80)	12.23 (8/7/32)
Utilities	114.94	114.92	114.26	115.98	114.20	114.58	116.57 (18/6)	96.04 (27/3)	165.32 (20/4/69)	10.52 (28/4/42)
TradingVol 000's†	46,115	46,500	37,738	34,180	36,750	38,280	—	—	—	—

• Day's high 896.35 low 880.03

Ind. div. yield %	June 20	June 13	June 6	Year ago (approx)
	6.07	6.02	6.19	5.97

STANDARD AND POORS

	June 26	June 25	June 24	June 23	June 20	June 19	1980 High	1980 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls	130.68	131.35	129.40	128.68	128.09	128.78	134.47 (13/2)	111.09 (27/7)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	116.19	116.72	115.14	114.51	114.06	114.86	118.44 (15/2)	98.22 (15/2)	125.85 (11/1/73)	4.40 (1/6/32)

	June 25	June 19	June 11	Year ago (approx)
Ind. div. yield %	4.99	5.22	5.12	5.27
Ind. P/E Ratio	7.79	7.75	7.75	7.94
Long Gov. Bond Yield	9.77	9.65	9.75	8.75

N.Y.S.E. ALL COMMON

June 26	June 25	June 24	June 23	1980 High	1980 Low
66.44	66.72	65.84	65.46	67.77 (13/2)	55.30 (27/3)

Rises and Falls	June 26	June 25	June 24
Issues Traded	1,887	1,893	1,885
Rises	683	1,065	857
Falls	826	454	592
Unchanged	378	374	436
New Highs	60	70	40
New Lows	2	2	5

MONTREAL

	June 26	June 25	June 24	June 23	1980 High	1980 Low
Industrial	379.45	377.82	(c)	368.33	405.80 (28/2)	325.21 (27/3)
Combined	350.79	349.30	(c)	342.98	378.80 (28/2)	296.80 (27/3)
TORONTO Composite	2057.2	2065.8	2051.9	2018.7	2192.6 (28/2)	1702.5 (27/3)

	June 27	June 26	June 25	June 24	1980 High	1980 Low
AUSTRALIA						
Sydney All Ord. (1956/59)	898.84	898.57	887.48	885.64	947.47 (14/2)	760.08 (2/1)
Metals & Minls (1956/59)	5680.91	5684.89	5579.89	5575.53	6680.95 (14/2)	4581.26 (28/3)
AUSTRIA						
Credit Aktien (2.1.62)	67.44	67.42	67.29	67.01	69.40 (7/1)	66.85 (23/6)
BELGIUM						
Belgian SE (31/12/65)	96.02	95.85	95.13	94.88	105.75 (11/2)	90.14 (31/3)
DENMARK						
Copenhagen SE (1.1.73)	79.91	79.61	79.41	79.52	86.74 (2/1)	74.78 (6/3)
FRANCE						
CAC General (29/12/61)	110.4	110.5	108.9	108.0	117.80 (22/3)	97.1 (3/1)
Ind Tendance (28/12/79)	109.1	109.0	107.7	106.9	109.70 (13/2)	95.68 (3/1)
GERMANY						
FAZ-Aktien 31/12/58	229.25	230.43	232.03	233.85	238.89 (25/2)	212.73 (28/3)
Commerzbank (Dec.1953	724.9	730.2	730.2	758.0	749.2 (25/2)	667.8 (27/3)
HOLLAND						
ANP-CBS General (1970)	83.9	84.1	84.5	84.8	87.0 (11/2)	74.0 (27/3)
ANP-CBS Indust. (1970)	62.8	63.1	63.8	64.1	68.2 (11/1)	58.2 (28/3)
HONG KONG						
Hang Seng Bank (31/7/64)	1041.43	1026.69	1007.51	1014.20	1041.45 (27/6)	738.9 (19/3)
ITALY						
Banca Comm. Ital (1972)	104.21	105.63	105.99	105.83	107.74 (20/6)	85.11 (2/1)
JAPAN						
Dow Average (16/5/49)	6825.03	6800.53	6761.25	6806.37	6904.61 (25/4)	6475.93 (27/3)
Tokyo New SE (4/1/68)	470.44	470.15	469.38	471.84	473.55 (23/6)	449.01 (18/3)
NORWAY						
Oslo SE (1/1/72)	128.16	127.14	126.89	127.21	144.70 (14/2)	118.12 (28/3)
SINGAPORE						
Straits Times (1966)	544.58	538.29	538.63	549.15	551.20 (25/6)	429.75 (3/1)
SOUTH AFRICA						
Gold (1958)	(u)	699.4	686.4	668.8	699.4 (26/6)	549.5 (16/6)
Industrial (1958)	(u)	537.4	532.9	529.5	537.4 (25/6)	466.0 (28/1)
SPAIN						
Madrid SE (28/12/79)	101.22	101.25	100.75	100.22	105.29 (21/2)	98.76 (16/5)
SWEDEN						
Jacobson & P. (1/1/58)	368.49	365.96	362.54	361.75	386.98 (8/2)	334.72 (17/1)
SWITZERLAND						
Swiss Bank Co. (31/12/58)	306.0	304.8	301.4	300.9	317.9 (11/2)	284.3 (22/4)
WORLD						
Capital Intl. (1/1/70)	—	143.5	143.6	142.7	145.6 (25/6)	120.5 (27/3)

Base values of all indices are 100 except NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
Sony	1,030,900	10⅜	+¼	Nigara Mohawk	463,500	13⅞	−⅛
Esmark	933,700	49⅞	+1⅛	City Investing	432,600	26⅞	−1
Std. Oil Indiana	707,500	61	+2	Norton Simon	438,600	13⅛	+⅛
Texaco	589,100	37⅞	—	Allegheny Power	338,500	16⅝	+⅛
IBM	487,100	59⅛	−⅛	Cmnwlth. Edison	355,500	22⅞	+⅛

NEW YORK | CANADA | BELGIUM (continued) | DENMARK | FRANCE | GERMANY | AUSTRIA | BELGIUM/LUXEMBOURG | HOLLAND | ITALY | NORWAY | SWEDEN | SWITZERLAND | AUSTRALIA | HONG KONG | JAPAN | JAPAN (continued) | SINGAPORE | SOUTH AFRICA | BRAZIL

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THE BATTLE FOR HONGKONG WHARF

The Takeovers Committee hits out

BY OUR HONG KONG CORRESPONDENT

THE HONG KONG Committee on Takeovers and Mergers has censured Wardley, the merchant bank, and criticised Sir Yue-Kong Pao and his family for their parts in the battle with Hongkong Land for control of Hongkong and Kowloon Wharf and Godown Company. Wardley has acted as adviser to the Pao interests in their battle, which on Monday saw the Pao stake raised to 49 per cent from 30 per cent at a cost of over HK$ 2bn (more than U.S.$400m).

In a strongly worded statement on Hong Kong's biggest takeover row in years, the committee said it considered that "the failure to extend a general offer or to respond positively to the subsequent requests of the committee indicate a disregard for the provisions" of Hong Kong's voluntary takeover code."

Wardley was "culpable" in giving advice which was "not in accordance with the provisions of the code," and in addition "neither Wardley nor the Pao interests have accepted the ruling and guidance of the committee."

The Pao bid at HK$ 105 a Wharf share thwarted the HK$ 100 offer in shares and loan stock which Hongkong Land sought to increase its holding from about 20 per cent to 49 per cent.

While Wardley is censured, the committee accepts that "an honest mistake was made by the Pao interests, based on the advice they received." However, the committee "cannot accept that this excuses their subsequent rejection of the committee's ruling and guidance."

The committee said it had required Wardley to demonstrate that it would be unnecessary or unreasonable to extend a general offer to the Wharf shareholders. The financial advisers on the Land offer would have received a similar request had Land not closed its offer, the committee said.

"Apart from reiterating the previously rejected claim that the Pao interests already controlled Wharf, Wardley were only able to inform the committee that a general offer would not be practicable. The committee interpreted this response as indicating that a general offer would be beyond the resources of the Pao interests."

The committee suggested to Wardley that a partial offer of HK$105 in cash should be made, with all shareholders treated equitably, and that pending such an offer the Pao interests should waive the voting rights on those shares it acquired on June 23. The committee regretted "that it did not receive a positive response to these suggestions."

The first principle of the code, the committee said, was that the spirit as well as the precise wording should be observed and added: "Self regulation of takeovers and mergers is dependent on the willing co-operation of those involved. The successful operation of the code depends on the readiness of companies and even more certainly their financial advisers to follow its provisions and to accept rulings by the committee."

Meanwhile, the Hang Seng index, the Hong Kong stock-market barometer, yesterday reached its highest point for seven years, closing at 1,041.43.

Land shares stood at HK$ 113.80, nearly HK$ 2 up on the level before battle commenced, while Wharf shares were holding a level of HK$ 73, compared with HK$ 77 before the battle opened

Forces join to thwart Bond bid for White

By James Forth in Sydney

THE CONTEST for control of White Industries, the New South Wales coal group, has taken a new twist with a bid for control from the White family, supported by the Japanese group Mitsubishi Development. The White family has formed a company, White Holdings, which intends to make a partial takeover bid, to give the family and Mitsubishi a combined holding of at least 53 per cent.

This would prevent Endeavour Resources, a member of the group headed by Mr. Alan Bond, from succeeding with its bid for control. Endeavour holds 43.56 per cent of White Industries, and plans to offer A$20 cash a share for another 20 per cent of the capital.

White Holdings intends to bid three of its shares for each White Industries share, or alternatively A$20 cash a share, funded by Mitsubishi. A A$20-a-share price values White Industries at almost A$180m (U.S.$200m).

The White family already owns just over 20 per cent of White Industries and Mitsubishi 15.36 per cent, giving a combined holding of 35.78 per cent. A group of holders in the White camp — including the listed White associate, Mareeba Mining, with 5.6 per cent of the capital, and those involved in 5.2 per cent recently issued to a staff share scheme — are party to an agreement not to deal in their shares except under certain circumstances.

The Mareeba and staff shares are at present restrained from any dealings by legal actions initiated by Endeavour.

Where White Industries holders take cash rather than the share offer, Mitsubishi will buy back the White Industries scrip at the offer price of A$20, up to its maximum permissible level of 25 per cent. If more White Industries holders want cash, then the new holding company will receive a loan from the Japanese group. If the bid succeeds, White Holdings will end up with between 28 per cent and 38 per cent of White Industries and Mitsubishi will hold between 15 per cent and 25 per cent.

A and P losses increase to $15m in first quarter

BY DAVID LASCELLES IN NEW YORK

THE GREAT Atlantic and Pacific Tea Company's (A and P) losses increased in the first quarter of this year to $14.9m, shareholders learned at their annual meeting yesterday.

The large, but ailing, supermarket chain made a profit of $3.4m in the same quarter of last year, but reported a loss of $3.8m for the year as a whole. The first quarter loss came despite a $2.3m extraordinary gain from anti-trust litigation.

Sales for the quarter were $1.64bn, down slightly from $1.66bn last year. Mr. James Wood, who recently took over as chairman, told the meeting: "These unacceptable results have been aggravated by intense price competition in most of our areas with retailers fighting for a greater share of the reduced food dollars available."

But Mr. Wood claimed that the huge restructuring of A and P, which he has pursued since taking over in April, had already achieved a great deal in closing down non-profitable operations. And he hopes new controls will bring the company back into the black.

Even so, Mr. Wood said A and P's capital outlays this fiscal year will rise sharply, from $69.7m to -90m, thanks to a previously announced rights offering.

A and P is 45 per cent owned by the Tengelmann Group of West Germany. Before joining A and P, Mr. Wood, a Briton, was chief executive of Grand Union a U.S. retail chain owned by the Cavenham supermarket group.

● Aetna Life and Casualty has made a definitive agreement with Barclays-American under which Barclays-American, a subsidiary of Barclays Bank International, has agreed to purchase Aetna Business Credit, a wholly-owned subsidiary of Aetna Life and Casualty for $165m cash. As previously reported, consummation of the transaction is expected near the end of the year to allow for certain regulatory approvals.

French chemical group in salt works project

PARIS—Enterprise Miniere et Chimique, a French state-controlled chemical company, hopes to convince the Dutch, Swiss and German governments to participate in a project to open a salt works near Mulhouse, in Eastern France.

The plant would extract salt from the Rhine, into which 18m tons of salt are dumped annually by France, Germany, Switzerland and Holland.

If the project got under way EMC would take 300,000 tons of the mine's potential annual production. The company felt it could market this volume fairly easily. AP-DJ

KHD sees strong sales growth

BY OUR FINANCIAL STAFF

SALES GROWTH of about 30 per cent is forecast for this year by Kloeckner-Humboldt-Deutz, the leading West German diesel engine manufacturer.

The annual meeting in Cologne was told that group turnover for 1980 could be expected to rise to DM 5bn ($2.8bn) compared to the DM 3.86bn achieved for 1979.

Sales so far this year were running about 11 per cent ahead while the group's engine operations had experienced an 18 per cent increase in incoming orders. KHD reaffirmed its hopes for satisfactory profits in 1980.

The agricultural machinery division has been able to balance a fall in European orders with increased sales outside Europe. Orders in industrial construction are "considerably higher."

KHD's disagreement with Fiat over the sale of KHD's 20 per cent share in the two companies' Dutch-based commercial vehicles joint venture, Iveco, is now before arbitration, the meeting was told.

The price KHD is asking Fiat for its stake is too high according to the Italian group, KHD explained. The hearing could last up to a year, but the possibility of reaching an agreement with Fiat "could not be ruled out." The amount eventually to be received would be invested in the three major sectors of KHD.

The group's first U.S. diesel engine factory, set up in Indiana in 1979, was in production but KHD expected it to make losses until the end of 1981.

KHD's share of the U.S. tractor market improved to 2.7 per cent in 1979 from 2 per cent the year before while engine exports to North America have almost doubled in two years. The company planned to enter the U.S. commercial vehicle market.

Plan for Amazon minerals put to Brazilian ministers

BY DIANA SMITH IN BRASILIA

BRAZIL'S Companhia Vale do Rio Doce (CVRO), the state-owned mining conglomerate, has presented ambitious proposals to key economic ministers for development of the rich Carajas mineral lodes in the Western Amazon.

Sr. Elezier Baptista, chairman of CVRD, said the $30.3bn plans will require foreign currency investment of $8bn by 1989. They cover exploration of the area's iron ore, gold, copper, bauxite and manganese, as well as production of sulphuric acid and a complementary agricultural complex that would produce soya, rice, corn and mandioc. Belated projects include a railway and hydroelectric scheme.

The Carajas area contains, according to CVRD, reserves of 18bn tonnes of 66 per cent pure iron ore.

Reserves of other minerals are equally impressive, according to CVRD: 45m tonnes of manganese allowing for annual production of 500,000 tonnes of ore and 150,000 tonnes a year of manganese-iron alloys; and reserves of 40m tonnes of 38-40 per cent pure bauxite allowing for annual production of 1.5m tonnes of bauxite, 480,000 tonnes of alumina and 240,000 tonnes of aluminium.

Copper reserves, estimated at between 500m and 1bn tonnes of 1-1.5 per cent pure ore associated with gold are important to Brazil which is heavily dependent on copper imports. The plan is to produce 160,000 tonnes a year of metallic copper.

CBS expects earnings to decline

NEW YORK — CBS, the communications group, expects to report lower second quarter earnings, although the decline will not be as sharp as the first quarter, Mr. Thomas Wyman, the president said.

In 1979 the company earned $7.21 a share with the second quarter bringing in $2.37 a share.

In the 1980 first quarter CBS earned 47 cents a share, compared with 64 cents a year earlier.

Mr. Wyman said that the earnings downturn is due to increased spending by CBS on certain technical projects and the effects of a slowing economy.

Analysts' estimates for the company's earnings in the 1980 year are too high, Mr. Wyman said, although he expected earnings to exceed those of last year. Analyst estimates for the year range from $7.50 to $7.80 a share.

A number of CBS' businesses have been affected by the recession, including its records, publishing and other consumer products operations said the president.

Exports boost Yamaha turnover

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

YAMAHA MOTOR, the world's second largest manufacturer of motor cycles, has reported sharp increases in sales and profits for fiscal 1980. Sales rose 23.6 per cent to Y343.5bn ($1.6bn), while current profits, at Y14.3bn ($67.2m) were up 97.5 per cent. Net profits also increased substantially by 44.4 per cent to Y6bn.

Yamaha attributes its good results to healthy domestic sales of motor cycles and a 32.4 per cent rise in exports. Exchange gains resulting from the depreciation of the yen contributed Y11bn to current profits, while a further Y15bn came from the reduction of the overhead burden caused by increased production.

In the current 12 month period, Yamaha hopes to sell 2.2m motor cycles compared with 1.91m units in the 12 months ending last April.

Sales should hit Y390bn but exchange rate windfalls are not expected. Profits will be up slightly from last year's levels.

Au Printemps Japan deal

BY YOKO SHIBATA IN TOKYO

AU PRINTEMPS JAPAN was established yesterday with capital of Y300m, wholly capitalised by Dai'ei, Japan's largest supermarket chainstore operator.

Dai'ei also has a merchandising agreement with Marks and Spencer of UK but this latest deal is the first of its kind in Japan.

Under the agreement with Au Printemps, a leading French retailer, Au Printemps Japan will develop a new type of department store in Japan under the name of "Au Printemps."

COMMODITIES/REVIEW OF THE WEEK

Coffee prices boosted by Brazil frost fears

BY OUR COMMODITIES STAFF

COFFEE hit the headlines again this week, with some highly volatile price movements following renewed frost fears in Brazil.

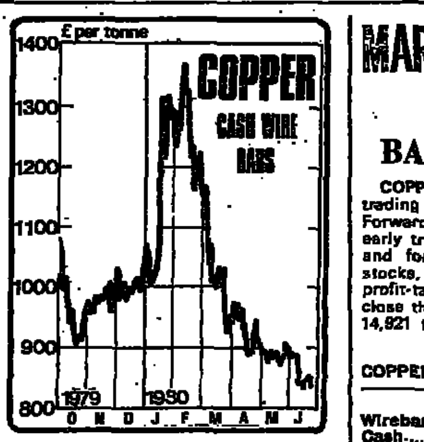
The market opened the week with further heavy losses taking prices down to new four-month lows. It then rallied encouraged by forecasts of cold weather affecting several areas of Brazil. So far it is believed little, if any frost has reached the coffee-producing states.

It was noticeable that after rising sharply yesterday, prices were hit by a wave of profit-taking sales which swept away earlier gains. As a result the market ended the week only marginally higher. The September position on the London robusta futures market last night closed only £17 up on the week at £1,559 a tonne.

Dealers were at a loss to explain reports that the producer support group, the Bogota fund now renamed Pan-Cage, had been selling although it was thought this might be a ploy to clear out speculators before the main Brazil frost danger period, now approaching.

The big frost damage to Brazilian coffee crops in the past has occurred in mid-July, and the market is expected to remain highly volatile for the next month or so.

Cocoa prices came under pressure again this week, after the recent, steadier period following the sale of 100,000 tonnes by the Ivory Coast. On the London cocoa futures market the September position dropped by £50 this week to £1,066 a tonne.



The downward move was attributed to renewed selling by leading West African cocoa producing countries, anxious to dispose of surplus stocks especially as weather conditions look favourable for the forthcoming crops there.

World sugar values also came under selling pressure this week. The October position on the London futures market closed yesterday £17.40 down on the week at £369.35 a tonne, after falling to £360 at one stage.

The decline came in spite of forecasts of a cut in South African and Cuban crops and an acknowledgement in the Soviet Union that beet plantings were well behind schedule this year because of poor weather.

The market was unsettled on Thursday by a tentative forecast from West German sugar statisticians, F. O. Licht, that world sugar production would rise to between 88m and 89m tonnes in the 1980-81 season compared with 84.6m tonnes in 1979-80.

It was appreciated this was a highly tentative prediction, at this early stage, but the market is also conscious that the higher price levels may hit sugar consumption and encourage the use of alternative sweeteners, such as high fructose corn syrup (isoglucose).

On the London Metal Exchange copper prices lost ground despite reports that U.S. workers had rejected pay offers by the leading companies in the negotiations to renew labour contracts expiring on June 30. Negotiations between the two sides are expected to reach a climax over the weekend and may well extend to the deadline.

Market traders, feel it would require a stoppage of more than three months in the U.S., the world's biggest copper producer, to have much impact in view of the depressed state of demand.

There are estimated to be large surplus stocks of copper building up, although there are forecasts that London Metal Exchange warehouse stocks could show a hefty fall this week.

Despite the strike threat, and predicted stocks fall, copper cash wirebars closed yesterday £19 down on the week at £838 a tonne.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1980 High	1980 Low
METALS					
Aluminium	£810/815		£710/60	£810/815	£760/70
Free Market c.i.f.	[illegible]	+80	[illegible]	[illegible]	[illegible]
Antimony	[illegible]		[illegible]	[illegible]	[illegible]
Free Market 99.6%	[illegible]		[illegible]	[illegible]	[illegible]
Copper Cash Wire Bars	£838	-19	[illegible]	[illegible]	[illegible]
3 months Do. Do.	£865.75	-15.75	[illegible]	[illegible]	[illegible]
Cash Cathodes	£818	-17	[illegible]	[illegible]	[illegible]
3 months Do. Do.	£841	-13	[illegible]	[illegible]	[illegible]
Gold per oz	$637.5	+34	[illegible]	[illegible]	[illegible]
Lead cash	£326	+14	[illegible]	[illegible]	[illegible]
3 months	£338	+14.5	[illegible]	[illegible]	[illegible]
Nickel	£3,248.36		[illegible]	[illegible]	[illegible]
Free Market c.i.f. lb.	275/300c	+2.5	[illegible]	[illegible]	[illegible]
Platinum per oz	£		[illegible]	[illegible]	[illegible]
Free Market per oz	£280.40	+8.5	[illegible]	[illegible]	[illegible]
Quicksilver (76lbs.)	$380/390	+5	[illegible]	[illegible]	[illegible]
Silver per oz	[illegible]		[illegible]	[illegible]	[illegible]
3 months per oz	[illegible]		[illegible]	[illegible]	[illegible]
Tin cash	£7,415		[illegible]	[illegible]	[illegible]
3 months	£7,365		[illegible]	[illegible]	[illegible]
Tungsten Ind.	[illegible]		[illegible]	[illegible]	[illegible]
Wolfram (22.04 lb)	[illegible]		[illegible]	[illegible]	[illegible]
Zinc cash	£284.5		[illegible]	[illegible]	[illegible]
3 months	£297.25		[illegible]	[illegible]	[illegible]
Producers	$760		[illegible]	[illegible]	$780
GRAINS					
Barley Home Futures	£95.95	+0.65	[illegible]	[illegible]	£99.95
Maize French No. 3 Yellow (Amer)			£110	£119	£116
WHEAT					
No. 1 Red Spring					
Am. Hard Winter	£95.00v				
Eng. Milling (new crop)			[illegible]	[illegible]	[illegible]
SPICES					
Cloves	[illegible]		[illegible]	[illegible]	[illegible]
Pepper, white	[illegible]		[illegible]	[illegible]	[illegible]
black	[illegible]		[illegible]	[illegible]	[illegible]
OILS					
Coconut (Philippines)	[illegible]		[illegible]	[illegible]	[illegible]
Groundnut	[illegible]		[illegible]	[illegible]	[illegible]
Linseed, Crude	[illegible]		[illegible]	[illegible]	[illegible]
Palm Malayan	[illegible]		[illegible]	[illegible]	[illegible]
SEEDS					
Copra (Philippines)	[illegible]		[illegible]	[illegible]	[illegible]
Soyabeans (U.S.)	[illegible]		[illegible]	[illegible]	[illegible]
OTHER COMMODITIES					
Cocoa Shipment	£1,128		[illegible]	[illegible]	[illegible]
Future Sept.	[illegible]		[illegible]	[illegible]	[illegible]
Coffee Futures Sept.	£1,559	+17	[illegible]	[illegible]	[illegible]
Cotton Index	[illegible]		[illegible]	[illegible]	[illegible]
Des. Coconut	£710		[illegible]	[illegible]	[illegible]
Jute UJ ABWC grade	[illegible]		[illegible]	[illegible]	[illegible]
Rubber kilo	[illegible]		[illegible]	[illegible]	[illegible]
Sago Pearl	[illegible]		[illegible]	[illegible]	[illegible]
Sisal No. 3	[illegible]		[illegible]	[illegible]	[illegible]
Sugar (Raw)	[illegible]		[illegible]	[illegible]	[illegible]
Tapioca No. 1	[illegible]		[illegible]	[illegible]	[illegible]
Tea (quality) kilo	[illegible]		[illegible]	[illegible]	[illegible]
(plain) kilo	[illegible]		[illegible]	[illegible]	[illegible]
Wooltops 64s Warp	290p kilo		[illegible]	[illegible]	276p kilo

† Unquoted. (g) Madagascar. (x) Aug./Sept. (t) Aug. (w) July/Aug. (y) June/July. (v) July.

MARKET REPORTS

BASE METALS

COPPER — Barely changed in quiet trading on the London Metal Exchange. Forward metal edged up to £869 in early trading reflecting modest covering and forecasts of a fall in warehouse stocks, but subsequently fell back off profit-taking and lack of interest to close the late kerb at £864.5. Turnover: 14,921 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	837-.5	-8.25	837.5-8.5	-.75
3 months	862-.5	-7.25	865.5-6	......
Settlem't	837.5	-8.5	—	......
Cathodes				
Cash			812.4	-2
3 months	807-8	-8	841.2	-3
Settlem't	837-8	-7	—	......
U.S. Prod	808	-8	*88-90	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £837, three months £866, 65, 62, 63, 64, 63, 62, 62.5. Cathodes, three months £838. Kerb Wirebars, three months £862.5, 62, 63, 62.5, 62, 63, 63.5 64, 65. Cathodes, three months £840. Afternoon: Wirebars, three months £865, 64.5, 64, 64.5, 65, 64, 65, 66, 65.5. Cathodes, three months £842, 41. Kerb: Wirebars, three months £864, 64.5.

TIN — Marginally firmer for forward metal. The latter moved up from £7,380 to £7,420 on the pre-market following the sharp rise at Penang. However, forecasts of a rise in stocks coupled with hedge selling pared the price to £7,390 in the morning rings. In the afternoon the market drifted on modest genral liquidation and book squaring and three months ended the late kerb at £7,365. Turnover: 570 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7460-80	+55	7410-20	-5
3 months	7395-410	+37.5	7370-80	+15
Settlem't	7480	+40	—	......
Standard				
Cash	7460-80	+55	7410-20	-5
3 months	7385-90	+45	7360-70	+27.5
Settlem t	7480	+80	—	......
Straits. E.	†$2184	+54		......
NewYork	—	......		......

Morning: Standard, cash £7,460, 70, three months £7,410, 7,400, 7,395, 90. Kerb: Standard, three months £7,380. Afternoon: Standard, cash £7,430, three months £7,380, 70, 80. Kerb: Standard, three months £7,360.

LEAD — Firmer. Expectations of a decline in stocks prompted good short covering and pushed forward metal up to £340 before profit-taking pared the price to £337.5 on the late kerb. Turnover: 8,675 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	324-6	+2	327.5-8.5	+5.5
3 months	333-4	+3.25	337.5-8.5	+8.75
S'ment	325	+2	—	......
U.S. Spot	—	......	*36-40	......

Morning: Cash £325, 24, 23, 24, three months £332, 31, 34, 33. Kerb: Cash £324, three months £332. Afternoon: Three months £333 34, 35, 36, 37. Kerb: Three months £336, 38.5, 39, 40, 39, 38.

ZINC—Little changed in quiet and routine trading with forward metal easing from £298 to end the afternoon kerb at £298. Turnover: 3,650 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
	£	£	£	£
Cash	282-3	-5.5	284-5	-1.5
3 months	295-6	-5	297-.5	-1.5
S'ment	283	-5.5	—	......
Primw'ts	—	......	*35.5	......

Morning: Cash £284, 85, 82, three months £299, 98, 97, 96. Kerb: Three months £295, 96. Afternoon: Three months £297.5, 98, 97.5, 97.25. Kerb: Three months £297.

ALUMINIUM—Lost ground following forecasts of a rise in stocks when most dealers had been expecting a sizeable decline. Forward metal fell sharply to close the late kerb at £710 while the backwardation narrowed to around £7.5. Turnover: 4,550 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	718-20	+18.5	718-20	-14.5
3 months	708-9	-11	710-.5	-8.75

Morning: Cash £718, three months £715, 14, 11, 10, 09, 08. Kerb: Three months [illegible]. Afternoon: Three months £712, 11, 10. Kerb: Three months £710.

NICKEL—Easier in quiet trading with forward metal finally £2,785 ton the late kerb. Turnover: 276 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	2755-70	+2.5	2740-50	-52.5
3 months	2785-95	+15	2780-5	-35

Morning: Three months £2,800, 2,795. Kerb: Three months £2,795. Afternoon: Three months £2,785. Kerb: Three months £2,785.

SILVER

Silver was fixed 4.8p an ounce higher for spot delivery in the London bullion market yesterday at [illegible]. U.S. equivalents of the fixing levels were: spot $16.26, up 18.1c; three-month $16.63, up 16.6c; six-month $17.046, up 16.6c; and 12-month $17.8, up 17.4c. [illegible]

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	693.10p	+4.8	697.75p	+19.7
3 months	711.30p	+3.7	726.5p	+18.2
6 months	746.40p	+4.7	—	
12months	789.70p	+4.7	—	

LME—Turnover 161 (158) lots of 10,000 ounces. Morning: three months 730, 32, 30, 29, 30.5, 26, 25, 24, 23. Kerb: three months 720. Afternoon: three months 724, 25, 24, 22, 26, 27. Kerb: three months 729, 27, 29.

COCOA

During an active day futures remained within a narrow range until the afternoon when new contract lows were recorded. However, levels lifted slightly during the closing call. Physicals were quiet with producers and consumers content to await next week before re-entering the market, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
July	1050-52	-11.0	1060-1041
Sep	1065-67	-5.0	1080-1061
Dec	1107-08	-9.0	1126-1105
March	1141-42	-21.0	1157-1140
May	1162-65	-21.0	1185-1168
July	1191-95	-13.5	1810-1203
Sept	1213-20	-8.0	—

Sales: 4,036 (4,193) lots of 10 tonnes.

COFFEE

Robustas opened slightly lower and throughout a very busy morning values tended higher, by lunch close the market showed gains of £10-£40 reports Drexel Burnham Lambert. Fears of very low temperatures and some forecasts of air frost in the Brazilian coffee areas led to a vigorous re-opening. However, a spectacular sell-off occurred and with the trade selling heavily through the afternoon the market crashed through the days previously established lows to finally close well down.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July	1550-54	-19.5	1590-16
Sept	1558-60	-17.5	1640-55
Nov	1576-80	-30.0	1665-70
January	1584-86	-34.0	1678-82
March	1585-90	-31.0	1653-95
May	1600-40	-40.0	—
July	1580-40	-...	—

Sales: 11,313 (8,314) lots of 5 tonnes.
ICA indicator prices for June 26 (U.S. cents per pound): Other Mild Arabicas 176.00 (172.67); Robustas ICA 1976 164.00 (160.00); ICA 1968 164.25 (160.25); Unwashed Arabicas 207.50 (206.00); Comp. daily ICA 1968 185.00 (181.86).

GRAINS

Business done—Wheat: Sept. 95.85-95.75, Nov. 99.65-99.50, Jan. 103.45-103.25, Mar. 106.90-106.75, May 110.30-110.20. Sales 228 lots of 100 tonnes. Barley: Sept. 92.00-91.95, Nov. 95.95-95.85, Jan. 99.75-99.60, Mar. 103.10-103.05, May 106.40-106.10. Sales: 357 lots of 100 tonnes.

	WHEAT Yesterday's close	+ or —	BARLEY Yesterday's close	+ or —
Mnth				
Sept	95.80	+0.15	91.95	+0.15
Nov	99.65	+0.25	95.95	+0.25
Jan	103.30	+0.15	99.75	+0.20
Mar	106.90	+0.20	103.05	+0.25
May	110.30	+0.20	106.35	+0.25

[illegible]

HGCA—Locational ex-farm spot prices. [illegible]

IMPORTED—Wheat: [illegible]

RUBBER

The London physical market opened easier with little interest throughout the day closing quietly steady. Lewis and Peat reported a Malaysian godown price of 292 (295) cents a kg (buyer, July).

No. 1 R.S.S.	Yest'rdays Close	Previous Close	Business Done
Aug	[illegible]	[illegible]	[illegible]
Sept	[illegible]	[illegible]	[illegible]
Oct-Dec	[illegible]	[illegible]	[illegible]
Jan-Mar	[illegible]	[illegible]	[illegible]
Apr-Jne	[illegible]	[illegible]	[illegible]
Jly-Sept	[illegible]	[illegible]	[illegible]
Oct-Dec	[illegible]	[illegible]	[illegible]
Jan-Mar	[illegible]	[illegible]	[illegible]
Apl-Jne	[illegible]	[illegible]	[illegible]

Sales: 140 (334) at 15 tonnes, 2 at 5 tonnes.

Physical closing prices (buyer) were: Spot 63.50p (63.75p); Aug. 62.50p (63.00p); Sept. 63.25p (63.50p).

SOYABEAN MEAL

The London market opened unchanged but with quiet cash markets prices drifted, reports T. G. Roddick. Book squaring at the end of the weekend and the USDA acreage report put further pressure on prices which closed with losses of up to £1.00.

	Yesterday Close	+ or —	Business Done
	£ per tonne		
August	[illegible]	[illegible]	[illegible]
October	[illegible]	[illegible]	[illegible]
December	[illegible]	[illegible]	[illegible]
February	[illegible]	[illegible]	[illegible]
April	[illegible]	[illegible]	[illegible]
June	[illegible]	[illegible]	[illegible]
August	[illegible]	[illegible]	[illegible]

Sales: 24 (119) lots of 100 tonnes.

SUGAR

Tate and Lyle ex-refinery price for granulated basis white sugar was £324.7 (same) a tonne for home trade and £430.00 (£445.50) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Price for June 26: Daily price 31.88 (32.05); 15-day average 30.85 (30.67).

Sugar Pref. Comm. Con.	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
Aug	[illegible]	[illegible]	[illegible]
Oct	[illegible]	[illegible]	[illegible]

NUMBER 4 CONTRACT—Close (in [illegible]

AMERICAN MARKETS

NEW YORK, June 27.

HEAVY TRADE and technical buying moved precious metals up the limit in many months. Copper also rallied strongly on reports of a possible strike in the U.S. next week. Sugar also advanced limit up when the long anticipated break in price failed to materialise early in the day. Coffee finished mixed as reports out of Brazil [illegible]

[illegible]

‡‡Maize—July 283-282½ (284), Sept. 288½-288¼ (289½), Dec. 295¾-295, March 307¼-307, May 315, July 319½.

Pork Bellies—July 37.00 (35.00), Aug. 36.75 (3⅞.75), Feb. 53.65-53.10, March 53.65-53.30, May 54.30-54.00, July 54.35, Aug. 53.70.

Silver—July 1,673.0 (1,622.0), Aug. 1,687.0, Sept. —, Oct. 1,717.0, Dec. 1,747.0, Feb. 1,777.0, April 1,807.0, [illegible]

[illegible]

INDICES

FINANCIAL TIMES

June 26	June 25	M'nth ago	Year ago
267.26	269.36	267.85	300.95

(Base: July 1, 1952=100)

MOODY'S

June 26	Jun 25	M'nth ago	Year ago
1171.7	1171.4	1110.3	1087.4

(December 31, 1931=100)

DOW JONES

Dow Jones	June 26	June 25	Month ago	Year ago
Spot	427.74	433.61	429.52	401.31
F'tur's	440.86	446.08	449.54	432.58

(Average 1924-25-26=100)

REUTERS

June 27	June 26	M'nth ago	Year ago
1664.7	1676.9	1710.9	1617.7

(Base: September 18, 1931=100)

POTATOES

LONDON POTATO FUTURES—[illegible]

COTTON

LIVERPOOL—No spot or shipment sales were recorded, leaving the total for the week at 148 tonnes, against 304 tonnes in the previous week. Business remained on very narrow lines and few operators were prepared to enter into engagements. [illegible]

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—[illegible]

SYDNEY GREASY WOOL—[illegible]

GRIMSBY FISH—Supply good, demand fair. [illegible]

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on June 27. [illegible]

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: [illegible]

Continued from Page 19

Douglas (25p) 60 (25/6)
Dufton Engineer. 6¾pcDb. 65
Dowding Mills (10p) 27 (20/6)
Downs Surgical (10p) 22½
Dowty (50p) 207 4 6
Drake Scull (1p) 39 (25/6)
Dreamland Electrical (10p) 34 5 (24/6)
Dubilier (5p) 53
Ductile Steels (25p) 82 (23/6)
Dufay Bitumastic (10p) 33
Dundonian (20p) 67 ½. 11¼pcPf. 125φ
Dunlop (50p) 80 1 78. 5¼pcPf. 37 (25/6). 6¼pcDb. 69¼ (25/6). 7pcDb. 67 (23/6). 8pcLn. 60 (20/6)
Duple Inter. (5p) 24
Duport (25p) 34½φ
Durapipe Inter. (25p) 38½ (24/6)
Dyson (25p) 53 (20/6). Do. A NV 49 (24/6)

E—F

EMI 5pcLn. 36 (25/6). 7¼pcLn. 57 (20/6). 8¼pcLn. 96½φ
ERF (25p) 68 (24/6)
East Midland Allied Press A (25p) 74 (24/6)
Eastern Produce (50p) 84½. 10½pcLn. 69½ (24/6)
Edbro (25p) 93
Edwards (5p) 68φ 70 69 71
Eleco (10p) 63φ 5. D.o New (10p) 63φ
Electrical Industrial Secs. (25p) 75. 8pc Unsec.Ln. 557φ 60 5
Electrocomponents (10p) 557 (24/6)
Electronic Rentals Grp. (25p) 98φ
Elliott (B.) (25p) 261φ 54φ 57 9
Elliott Group of Peterborough (10p) 21 20 (24/6)
Ellis Everard (25p) 120 (20/6)
Ellis Goldstein (Hldgs.) (15p) 19¾ (23/6)
Elswick-Hopper (5p) 17½ (24/6)
Emess Lighting (25p) 137φ 80
Empire Stores (Bradford) (25p) 154φ 4
Energy Services Electronics (10p) 28½φ
English Overseas Invests. (10p) 15½φ 14
English China Clays (25p) 94½φ 5φ 3 4½
English Electric 6pcDb. 80‡
Epicure Hldgs. (5p) 19
Erith Co. (25p) 67 (23/6). New (25p) 68 7 (23/6)
Esperanza (12½p) 108 (25/6)
European Ferries (25p) 162φ 1½φ 5 4 3½ 4½ 5½ 6
Eurotherm Internatl. (10p) 340 5
Evered Co. Hldgs. (25p) 15½ (20/6)
Evode Hldgs. (20p) 43 (25/6)
Ewer (George) (10p) 52 (25/6)
Exchange Telegraph (Hldgs.) (25p) 155 (24/6)
Expanded Metal (25p) 59

Fairclough Construction Group (25p) 68 (24/6)
Fairline Boats (10p) 69½‡ ¼‡
Farnell Electronics (20p) 289φ 302 2‡ 3‡
Fashion General Invest. (5p) 244 5 50 (23/6)
Feb Internatl. (10p) 45φ. A (10p) 40φ
Federated Land Bldg. (25p) 77½ ¼
Feedex Agricultural Industries (10p) 34φ
Fenner (J. H.) (Hldgs.) (25p) 137 6 (25/6)
Ferguson Industrial Hldgs. (25p) 88 (25/6)
Ferranti (50p) 552φ 67φ 3φ 27φ 67 72 70 82
Ferry Pickering Group (10p) 72 4 3 (23/6)
Fidelity Radio (10p) 39 (20/6)
Fine Art Developments (5p) 57½φ. New (5p) 57½ (24/6)
Finlay (James) (25p) 98φ 100 98
First Castle Securities (10p) 27 (23/6)
Fisons 255φ 7φ. 6pcDb. 90½ (23/6). 6¼pcDb. 61¾ (25/6). 5¾pcLn. 41¼ (23/6)
Fitch Lovell (20p) 75
Flight Refuelling (Hldgs.) (25p) 326 (23/6)
Fobel Int. (10p) 28
Fodens A (25p) 26 (20/6)
Fogarty (E.) (30p) 67
Folkes (John) Hefo (5p) 27 (23/6). Non.V. (5p) 28½ (24/6)
Footwear Industry Inv. (25p) 41 (24/6)
Ford Int. Cap. Cpn. 6pcLn. 64½ (23/6)
Ford Motor ($US2) £10¼ (20/6)
Forminster (10p) 123φ 20. 10¼Pf. 94½ (24/6)
Forte Hldgs. 7.7pcDb. 72½
Fortnum and Mason 7pcPf. 40¾ (20/6)
Forward Technology Ind. (25p) 93 (25/6)
Foseco Minsep (25p) 171φ 5φ 67 7 4½ 5
Foster Brothers Clothing (25p) 82φ 40
Foster (John) (25p) 22 1
Fothergill Harvey (25p) 127 (24/6)
Francis Ind. (25p) 65 ½. 9pcLn. 81
Francis Parker (10p) 20φ
Franklin Mint Cpn. £5¾ (25/6)
Freemans (London S.W.9.) (25p) 118 (24/6)
French Kier Hldgs. (25p) 38φ 8
Friedland Doggart Grp. (25p) 100

G—H

GEI Int. (20p) 79φ
Galliford Brindley (5p) 6 (25/6)
Garnar Scotblair (25p) 76φ 9
Gates (Frank G.) (25p) 36 (24/6)
Geers Gross (10p) 59 ½‡ 7 8 6
General Electric ($US2.50) £21¼ (20/6)
General Electric (25p) 401φ 400 397 6 403. 6pcLn. 1976-81 91¼ (23/6). 7¼pcLn. 61½ (25/6). 7¾pcLn. 65. Floating Rate Cap. 99⅞
General Motors Cpn. Shs. of Com. ($US1⅔) £19¾ (20/6)
Gestetner A (25p) 69 (25/6)
Gibbs, Dandy (10p) 55. N.V. A (10p) 19
Gieves Group (1980) (20p) 44φ
Gill, Duffus Group (25p) 144
Gillette 10¼ (20/6)
Giltspur (10p) 72
Glaxo Group 7¼pcLn. (50p) 31 (24/6)
Glaxo Hldgs. (50p) 222. 7½pcLn. 94
Glossop (W., J.) (25p) 39φ
Glynwed (25p) 89½ 90½. 10¾pcLn. 78 (23/6)
Goldberg (A.J.) Sons (25p) 67 5 (25/6)
Goldman (H.) Group (10p) 8½φ
Gomme Hldgs. (25p) 34φ 5φ
Gosforth Indl. Hldgs. (10p) 32
Gough Cooper (20p) 73
Granada Group A (25p) 182φ 4φ 5½ 4
Grand Metropolitan (50p) 156 5 7 4 ½. 5pcPf. 35½ (23/6). 6¼pcPf. 44½ (25/6). 10pcLn. 74¼ (24/6)
Grattan Warehouses (25p) 69 6½
Gt. Universal Stores (25p) 434 (24/6). A (25p) 433φ 30 28 31. 6¾pcLn. 43φ. 8¼pcLn. 60½ (20/6)
Greenbank Indstl. Hldgs. (10p) 27 (24/6)
Greenfields Leisure (10p) 48 (25/6)
Group Lotus Car Cos. (10p) 20 (20/6)
Grovebell Group (5p) 16 (24/6)
Guest, Keen, Nettlefolds 247φ 4φ 6φ 2 37 45 38 9 40. 6¼pcLn. 74½. 8¼pc Db. 90 (25/6). 10½pcDb. 79½ (24/6)

H.A.T. Group (10p) 35 (25/6)
HTV Group (10p) 35 (25/6)
Habit Precision Eng. (5p) 14½φ
Haden Carrier (25p) 131φ 2
Hall Engineering (Hldgs.) (50p) 161 (25/6). 6½pcPf. 39½ (20/6). 7¼pc Uns.Ln. 106 (24/6)
Hall (Matthew) (25p) 236 (20/6)
Halma (10p) 79
Halstead (James) (Hldgs.) (10p) 30½φ ½φ
Hanson (25p) 159φ 61φ 2½‡ 3 60. 6½pc Uns.Ln. 89 (23/6)
Hargreaves (20p) 49φ
Harris Sheldon (25p) 45
Harris (Philip) (Hldgs.) (20p) 62½ 3
Harris Queensway (20p) 170φ 1
Harrison (T. C.) (25p) 56 (23/6)
Harrisons and Crosfield 6½ ¼. New Ord pm p55‡φ ½‡φ 50 45 40 55. 5½pc Pf. 46½ (24/6)
Hartwells (25p) 82 (25/6)
Hawker Marris (25p) 56 (20/6)
Hawker Siddeley (25p) 207φ 10φ 8 7 6
Hawley Leisure (5p) 42½ (23/6). New (5p) 43 (23/6)
Hawthorn (R. W.) Leslie (50p) 101 (24/6)
Hawtin (5p) 10¼ (25/6)
Hazlewood Foods (20p) 90 (24/6)
Headlam, Sims Coggins (5p) 38 (23/6)
Helene of London (10p) 23½
Henderson (P. C.) A (10p) 145
Henlys (20p) 73φ. 8¼pcLn. 54 (24/6)
Henriques (A.) (10p) 22 (23/6). Do. New (10p) 22 (23/6)
Hepworth Ceramic Hldgs. (25p) 100φ 98 ½
Hepworth (J.) Son (10p) 73 2 4
Heron Motor (25p) 28 (24/6)
Hestair (25p) 32φ 1
Hestair Consumer Products 6pcUns.Ln. 45 (25/6)
Hewden-Stuart Plant (10p) 46 (25/6). New Ord (10p) 46 (25/6)
Heywood Williams (25p) 71
Hickson Welch (Hldgs.) (50p) 167φ 5 7
Hield Bros. (5p) 5½ (23/6)
Higgs and Hill (25p) 55
Highland Electronics (20p) 44
Hillards (10p) 125 6
Hinton (Amos) Sons (10p) 69 (24/6)
Holden (Arthur) Sons (25p) 82 ½ (25/6)
Hollis Bros. & ESA (25p) 45 (25/6)
Holt Lloyd Intl. (10p) 250 1 (25/6)
Home Charm (10p) 93 (24/6)
Home Farm Prods. (10p) 88 (24/6)
Homfray (25p) 12
Hoover A (25p) 150
Hopkinsons Hldgs. (50p) 56
Horizon Travel (25p) 262 60
House of Fraser (25p) 126 5 8 7. 4½pc Pf. 33. 8¼pcLn 61
Hoveringham Grp. Restd. Vtg. (25p) 65 4 (25/6)
Howard & Wyndham (20p) 8 (25/6). A (20p) 6½ (25/6). 9pcCnv.Cum.Pf. (20p) 8φ
Howard Machinery (25p) 13 (25/6)
Howard Tenens Services (25p) 85 (23/6). New (25p) 63 (23/6)
Howden Group (25p) 79φ
Hudson's Bay 9φ 9
Humphries Hldgs. (25p) 27 (24/6)
Hunt & Moscrop (Middleton) (5p) 11½φ. Dfd. (5p) 5½φ
Hunting Assoc. Industs. (25p) 350 (20/6). Defd. 267 (23/6)
Hyman (I. & J.) (5p) 19 (23/6)

I—J—K

ICL (25p) 14½φ
IMI (25p) 58φ 7½. 7¼pcLn. 65¼ (24/6). 8¼pcLn. 68¼
IU Intl. Corpn. ($US1.20) p655 (20/6)
Ibstock Johnsen (25p) 66φ 4
Illingworth Morris (20p) 14½ (23/6). A (20p) 12½ (24/6)
Imasco 18φ
Imperial Chemical Industries 383φ 77φ 89 5 2 6 4 8 90. 5pcPf. 37½ (24/6). 5½pc Ln. 42¼. 7½pcLn. 63¼ ¼. 8pcLn. 64φ 4. 10¼pcLn 79¼ (20/6)
Imperial Grp. (25p) 83½ 5½ 3 4 5. 4pc Ln. 96. 5¼pcLn. 73½. 6.9pcLn. 51. 7.5pcLn. 57¼ (24/6). 10.5pcLn. 79¼φ 9φ. 8pcLn. 71φ ¼φ ½φ 1 70½
Ingram (Harold) (10p) 28 (20/6)
Initial Services (25p) 142 1 39
Inter-City Investment Group (20p) 13 (24/6)
International Business Machines Corp. Shs. of Cap. ($US1.25) 26½‡ 6
International Thomson Org. Cnv. Rd. Pf. fully paid attached Cnv. Red. Pf. of 1p (25p) 359φ
International Timber Corp. (25p) 105 4 (25/6)
Inveresk Group (50p) 30

James (Maurice) Industries (20p) 20φ
Jamesons Chocolates (10p) 48 (20/6)
Jentique Hldgs. (25p) 18½ 18 (25/6)
Jerome (S.) (Hldgs.) (25p) 45
Jessups (Hldgs.) (25p) 24 5
Johnson and Firth Brown (25p) 38φ. 10pcLn. 83φ. 11pcLn. 63 (23/6)
Johnson Group Cleaners (25p) 170
Johnson, Matthey 328φ 30 42 37 40 3 5 4‡ 7 50 45‡
Jones (A. A.) and Shipman (25p) 78 (25/6). New Ord. (25p) 78 (25/6)
Jones (Ernest) (Jewellers) (10p) 112
Jourdan (Thomas) (10p) 60 58 (24/6)

K Shoes (25p) 58 (25/6)
Kalamazoo (10p) 73φ
Kenning Motor Group (25p) 61
Kent (M. P.) (10p) 60 (23/6)
Kitchen (Robert Taylor) (10p) 134 (25/6)
Kitchen Queen Grp. (10p) 13 12 (23/6)
Kode Intnl. (25p) 228 (25/6)
Kwik-Fit (Tyres and Exhausts) Holdings (10p) 71½φ 2½
Kwik Save Discount Grp. (10p) 105φ 7φ 11 9 8 12

L—M

LCP Holdings (25p) 72½φ
LK Industrial Inv. (25p) 18 (24/6)
LRC Intnl. (10p) 27
LWT (Hldgs.) A (Non. V.) (25p) 124 (25/6)
Ladbroke Grp. (10p) 167 4 6. Warrants to subscribe for Ord. 80 (23/6)
Ladies Pride Outerwear (20p) 43 (23/6)
Laing (John) (25p) 42 (23/6). A (25p) 42φ
Laird Grp. (25p) 86 (25/6)
Lake and Elliot (25p) 27 ¾
Lambert Howarth Grp. (20p) 43φ
Lanca (20p) 40 (25/6)
Lancaster (D.M.) (5p) 10½ (25/6)
Lane (Percy) Grp. (10p) 25
Laporte Inds. (Hldgs.) (50p) 100φ 99 101
Latham (James) 114
Laurence Scott (25p) 57 (24/6)
Lead Inds. Grp. (50p) 186 7 (24/6). 7pc Pf. 44 (24/6)
Le Bas (Edward) (25p) 59φ
Lec Refrigeration (25p) 71
Leeds District Dyers Finishers (25p) 50 (24/6)
Leigh Interests (5p) 145φ
Lennons Grp. (10p) 36 (24/6)
Lep Grp. (10p) 260 (20/6)
Lesney Products (5p) 22 20½
Letraset (10p) 115½φ 14φ 14
Levex (5p) 15¾φ 13¾
Lex Service Grp. (25p) 77¼φ 8φ 7½ 8½
Leyland Paint Wallpaper (25p) 35
Lilley (F. J. C.) (25p) 81 (25/6)
Lincroft Kilgour Group (10p) 27¼φ ½φ
Lintood Hldgs. (25p) 151φ 48 51. New (25p) 149 (25/6). 12pcLn. 101 (23/6)
Link House Pubs. (20p) 166 (23/6)
Linread (25p) 31 (23/6)
Lister (25p) 47 8 (24/6)
Liverpool Daily Post Echo (50p) 104 (24/6)
Lloyd (F. H.) Hldgs. (25p) 40 39½ (24/6)
Locker (T.) Hldgs. (5p) 13½ (23/6)
London Midland Indust. (25p) 111 (24/6)
London Northern Group (25p) 37φ
London Brick (25p) 75φ 6½ 7
London Cremation 10pcPf. 65 (25/6)
Lonrho (25p) 94φ 5 8 100. 10¼pcDb. 75 (23/6). 8pcLn. (1980-83) 78½ (20/6)
Lonsdale Universal (25p) 53½ 4 (23/6)
Lookers (25p) 38½ (20/6)
Lovell (Y. J.) (Hldgs.) (25p) 140 (20/6)
Low Bonar (50p) 171 (20/6)
Low (W.) (20p) 118 (20/6)
Lucas Inds. 202φ 2 3. 7¼pcLn. 72¼ (20/6)
Lyles (S.) (20p) 36 (25/6)
Lyon and Lyon (25p) 64 (25/6)

M.D.W. Hldgs. (25p) 48 (25/6)
MFI Furniture (10p) 55 7
M.K. Electric Hldgs. (25p) 164‡φ 5‡φ
M.Y. Dart (10p) 35½ (23/6)
Macanie (London) (10p) 23 (20/6)
Macarthys Pharmaceuticals (20p) 100 (24/6)
McCleery L'Amie (25p) 18 (25/6)
McCorquodale (50p) 89. 8pcDb. 68 (25/6)
Macfarlane Group (Clansman) (25p) 66 (25/6). New (25p) 66 (25/6)
McKechnie Bros. (25p) 95 (23/6)
MacLellan (P. W.) (20p) 26 (20/6)
Macpherson (D.) (25p) 79 (24/6)
Magnet Southerns (25p) 165
Magnolia (Mouldings) (10p) 78½φ
Mallinson-Denny (25p) 52 4
Management Agency Music (10p) 131 2 (24/6)
Manders (Hldgs.) (25p) 148 (24/6)
Manganese Bronze Hldgs. (25p) 31½
Manor National (20p) 21½ (24/6)
Maple (Hldgs.) (10p) 34 (24/6). 10½pcLn. 70½ (25/6)
Marchwiel (25p) 90 2
Marks, Spencer (25p) 92½ 2 4 1 3 ½
Marley (25p) 67
Marling Inds. (10p) 21½‡
Marshall Cavendish (10p) 24 (24/6)
Marshalls (Halifax) (25p) 185 (25/6)
Marshall's Universal (25p) 68 (24/6)
Martin (Albert) Hldgs. (20p) 33 (25/6)
Martin The Newsagent (25p) 186φ 92φ 82. 5½pcPf. 34½ (25/6)
Martonair Int. (20p) 194 (25/6)
Matthews (Bernard) (25p) 204 196 (24/6). New Ord. (25p) 195φ
May, Hassell (25p) 80 (25/6)
Maynards (25p) 132
Meggitt Hldgs. (5p) 19 (24/6)
Menzies (John) (Hldgs.) (25p) 242 (25/6). 9pcPf. 90½ (25/6)
Metal Box 294. 4.9pcPf. 50 (24/6). 10½pcLn. 77¼ (25/6)
Metal Closures (25p) 97φ. 6pcPf. 38 (24/6)
Metalrax (Hldgs.) (5p) 58 60 (24/6)
Mettoy (25p) 22
Meyer (Montague) (25p) 97‡ 5 6
Michael (John) (Savile Row) (10p) 27 (23/6)
Midland Inds. (5p) 89
Miller (F.) (Textiles) (10p) 43 ¾ (24/6). New Ord. (10p) 43 ¾ (24/6)
Milletts Leisure Shops (20p) 156 (23/6)
Mining Supplies (10p) 99φ 101 3
Mitchell Cotts Gp. (25p) 39
Mitchell Somers (10p) 39φ
Mixconcrete (Hldgs.) (25p) 74 (24/6)
Molins (25p) 97φ
Monk (A.) (25p) 30 (24/6)
Montfort (Knitting Mills) (25p) 74 (20/6)
Monument Secs. (10p) 3½ (20/6)
Morgan Crucible (25p) 148φ 53
Morrison (W.) Supermarkets (10p) 139 6 (24/6)
Moss Bros. (20p) 233 (23/6)
Moss Eng. Gp. (25p) 95 (24/6)
Mothercare (10p) 258φ 2 57 50
Mount Charlotte Invests. (10p) 24
Mountleigh Gp. (25p) 63 (20/6)
Movitex (10p) 10 (23/6)
Muirhead (25p) 126φ
Myson Gp. 58 7½

N—O—P

NCR 8½pcLn. 60 (25/6)
NSS Newsagents (10p) 131 (25/6). 10pc Ln. 116½
Nash (J. F.) Secs. (25p) 58 (20/6)
Nathan (B. I.) (25p) 38 (20/6)
National Carbonising (10p) 137 8
Neepsend (25p) 39½φ
Negretti Zambra (25p) 35 (20/6). 9pcPf. 72 (24/6)
Neil Spencer Hldgs. (10p) 95 (25/6)
Neill (J.) Hldgs. (25p) 53φ
New Equipment (10p) 14 (24/6)
Newarthill 245 40 (25/6)
Newbold Burton Hldgs. (25p) 44 (25/6)
Newman Industs. (25p) 45
Newman Tonks Gp. (25p) 53‡
Newmark (L.) (25p) 337 (23/6)
News Intnl. (25p) 180
Nichols (J. N.) (Vimto) (25p) 345 (20/6)
Norcros (25p) 65½ 4½ (20/6)
Norfolk Capital Gp. (5p) 43 (24/6)
Normand Elec. Hldgs. (20p) 39 (20/6)
Norsk Hydro (NKR100) £51¼ (23/6)
Northern Engng. Industries (25p) 49. 10¼pcDb. 75 (20/6)
Northern Foods (25p) 149φ 6 8 7 50
Norton Wright Group (10p) 83 (20/6)
Norton (W. E.) (Hldgs.) (5p) 15 (25/6)
Norvic Secs. (10p) 5 (25/6)
Norwest Holst Hldgs. 11¼pcPf. 90 (23/6)
Nottingham Manufacturing (25p) 93½. 8½pcUnsec.Ln. 90 (20/6)
Nova (Jersey) Knit (20p) 52 (24/6)
Nurdin Peacock (10p) 150
N-Swift Industries (5p) 21½ (24/6)

Oakwood Group New (25p) 79 (25/6)
Office Electronic Machines (25p) 273 (25/6)
Oliver (George) Footwear (25p) 103 4 (20/6)
Owen Owen (25p) 116 (24/6)
Oxley Printing Group (25p) 23¼‡ 5

P.M.A. Hldgs. (25p) 36φ
Parker Knoll (25p) 88φ
Parkland Textile (Hldgs.) A (25p) 37 (20/6)
Paterson Zochonis (10p) 260 (23/6). A (10p) 257φ. 10pcPf. 91φ
Pauls Whites (25p) 129φ
Pawson (W. L.) Son (5p) 35½ 6 (25/6)
Peak Invests. (10p) 7 (25/6)
Pearce (C. H.) Sons (25p) 485φ
Pearson Longman (25p) 194 (23/6)
Pearson (S.) Son (25p) 230 26. 9pc Unsec.Ln. 95 (25/6)
Peerless New (25p) 92φ 2
Pegler-Hattersley (25p) 121 (25/6)
Pennine Commercial Hldgs. (10p) 4½ (24/6)
Pentland Industries (10p) 27½ (24/6)
Pentos (10p) 55 (24/6). Dfd. (20p) 44 (23/6)
Perry (Harold) Motors (25p) 62 ½ (24/6). New (25p) 62 (24/6)
Petbow Hldgs. (10p) 37 (24/6)
Peters Stores (10p) 64 (25/6)
Phicom (10p) 34 (24/6)
Philips Finance 46½ (23/6)
Philips Lamps Hldg. (Fl.10) 395φ
Philips Patents (Hldgs.) (25p) 13φ
Phoenix Timber Co. (25p) 114
Photax (London) (25p) 50φ
Pickles (William) and Co. A Non-vtg. (10p) 6½ (23/6)
Pifco Hldgs. (20p) 136 (24/6)
Pilkington Bros. 237φ 5 8 40. New Ord. 228 (24/6)
Pittard Grp. (25p) 37 (24/6)
Plationum (5p) 9½ 10
Plaxton's (Scarborough) (25p) 182φ
Pleasurama (5p) 154 (23/6)
Plessey Co. (50p) 158φ 9½φ 59 70 62 7 8 1 60 6½. 7¼pcDb. 57¼ (24/6)
Plysu (10p) 98 (24/6)
Polymark Intl. (10p) 77
Portals Hldgs. (25p) 340 (24/6)
Porter Chadburn (20p) 68 (25/6)
Porvair (25p) 8 ½
Powell Duffryn (50p) 196φ 87φ 99φ 205 2 3 200
Pratt (F.) Engineering Corp. (25p) 52 (24/6)
Preedy (Alfred) and Sons (25p) 65φ
Press Tools (10p) 35 (24/6)
Press (William) and Son (5p) 27
Pressac Hldgs. (10p) 36 ¼ (23/6)
Prestige Grp. (25p) 139 (23/6)
Prestwich Parker (25p) 33 (24/6)
Priest (Benjamin) and Sons (Hldgs.) (25p) 63φ 3
Pritchard Services Grp. (5p) 54 3 ½
Proprietors of Hay's Wharf 162 (25/6)
Provincial Laundries (5p) 4¾ (23/6)

Q—R—S

Queens Moat Houses (5p) 34½

RFD Grp. (10p) 42
Racal Electronics (25p) 256φ 58 60 2 3 6
Radley Fashion Grp. (25p) 40 (20/6)
Raine Engineering Indusis. (10p) 10½ (25/6)
Rank (25p) 190. 6¼pcPf. 45 (25/6). 5½pcLn. 48 (24/6). 10½pcLn. 76 (25/6)
Ranks Hovis McDougall (25p) 45½. 6¼pc Ln. 91½. 6¾pcLn. 64 (25/6). 8¼pcLn. 65¼ (24/6). 8¾pcLn. 69 (25/6)
Ransom (10p) 245 (20/6)
Ransme Hoffmann Pollard (25p) 92½φ 7 8½. 8pcln. 92 (23/6)
Ransomes Sims Jefferies 145 (23/6)
Ratners (10p) 58φ
Raybeck (10p) 61 2 (24/6). 10¼pcPf. 95½ (24/6)
Readicut Inter. (5p) 19½
Ready Mixed Concrete (25p) 172φ 40
Reckitt Colman (25p) 184φ 7φ 6 3 8. 5pcPf. 35 (24/6)
Record Ridgway (25p) 23
Redfearn National Glass (25p) 191 (20/6)
Rediffusion (25p) 73 (24/6). 4pcPf. 25 (24/6)
Redland (25p) 172 4 1 7
Redland Finance £59½ 8
Redman Heenan Inter. (10p) 59
Reed Austin (25p) 68 (20/6)
Reed Executive (10p) 68 (23/6)
Reed Inter. 194φ 2 90. 6¼pcDb. 67½ ¾ (24/6). 7½pcLn. 58½φ. 10pcLn. 58½φ. 7½pc
Reed Publishing 8pcPf. 53 (24/6). Ln. 64 (24/6). 9pcLn. 67 (23/6)
Reliance Knitwear (20p) 26 (24/6)
Relyon (25p) 68
Renold 60φ
Rentokil (10p) 143 (24/6)
Renwick (25p) 42
Restmor (25p) 99 (23/6)
Revertex Chemicals (25p) 48φ
Rexmore (25p) 41φ
Ricardo Consulting Engineers (25p) 350 (24/6)
Richards Wallington Industries (10p) 51φ
Richards (10p) 20 (25/6)
Richardsons Westgarth (50p) 43½ 3
Riley (10p) 50¼ 1 (23/6)
Robertson Foods (25p) 114 (23/6)
Rock Darham. (10p) 31φ
Rockware Grp. (25p) 99½
Rosgill Hldgs. (5p) 16½ (24/6)
Rotaprint (20p) 18
Rothmans Intnl. B (12½p) 47½ 8
Rowntree Mackintosh (50p) 160φ 60
Royal Worcester (25p) 250 (25/6). 5pcLn. 155 (20/6)
Royco Gp. (5p) 42 3½ (24/6)
Ruberoid (25p) 57 8 (25/6). 10½pcLn. 71½ (25/6)
Rugby Portland Cement (25p) 77½. New (25p) 77φ
Ryan (L.) Hldgs. (5p) 11

SGB Grp. (25p) 160 2 (24/6)
Saatchi and Saatchi (10p) 175
Sainsbury (J.) (25p) 403
St. George's Laundry (Worcester) (10p) 39 (23/6)
Samuel (H.) (25p) 225φ. A (25p) 148φ 7φ
Sangers Grp. (25p) 64 (20/6)
Savoy Hotel A (10p) 121
Scapa Grp. (25p) 71φ
Schlumberger ($US1) £51½
Scotcros (25p) 128φ
Scott and Robertson (25p) 34½φ
Scott (David) Grp. (10p) 30½ (25/6)
Scottish English and European Textiles (20p) 48 (20/6)
Scottish Ice Rink 154 (24/6)
Sears Hldgs. (25p) 43φ 2 ½ 3 1½
Security Centres Hldgs. (10p) 38½ (20/6)
Security Services (25p) 120 (20/6). A (Non-Vtg.) (25p) 120 (24/6)
Sekers Intnl. (10p) 33 (24/6)
Selincourt (5p) 16¼
Senior Engineering (10p) 28φ 2½. 9.8pc Uns.Ln. 66 (24/6)
Sharna Ware (20p) 177 (24/6)
Sharpe Fisher (25p) 45
Sherman (Samuel) (10p) 9½ (20/6)
Sidlaw Industries (50p) 96 7 (20/6). 7¼pcUns.Ln. 47 (24/6)
Siebe Gorman Hldgs. (25p) 190φ 88
Silentnight Hldgs. (10p) 42φ
Silkolene Lubricants (25p) 160
Simon Engineering (25p) 291φ
Singlo Hldgs. (10p) 19 (20/6). 10pcUns. Ln. 180φ 93¼φ
Sirdar (25p) 86
600 Group (25p) 60½ (25/6). 8½pcUns. Ln. 84¼ (25/6)
Sketchley (25p) 259φ
Smith Nephew Associated (10p) 75½φ 3 ½. 8pcUns.Ln. 136φ
Smith Bulmer (50p) 10½ (20/6). 10pc Cum.Pf. 57 (20/6)
Smith (David S.) (Hldgs.) (20p) 79 (24/6)
Smith (W. H.) Son (Hldgs.) A (50p) 145 (25/6). B (10p) 28 (25/6)
Smith Industries (50p) 210
Smurfit (Jefferson) (25p) 156φ 7 8½
Solicitors' Law Stationery Society (20p) 31φ 2
Somic (25p) 34
Sotheby Parke Bernet Group (25p) 497φ 512. 9¼pcPf. 95½ 6 (25/6)
Sound Diffusion (5p) 61 60 59 (24/6)
Sparrow (G. W.) Sons (20p) 95 (25/6). New (20p) 94 (25/6)
Spear Jackson Internat. (25p) 112 (23/6)
Spear (J. W.) Sons (25p) 125 (20/6)
Sperry Corp. ($US0.50) 20¼ (24/6)
Spillers 7pcDb. 64 (25/6)
Spirax-Sarco Eng. (25p) 158 5 60 (23/6). New (25p) 159 (23/6)
Spring Grove Services (10p) 86 (24/6)
Stakis (Reo.) Org. (10p) 45
Standard Telephones Cables (25p) 332 5
Stanley (A. G.) Hldgs. (5p) 75 7 (25/6)
Staveley Inds. 215
Steel Bros. Hldgs. (25p) 150 (23/6). 8pc Ln. 60φ

The Association of Investment Trust Companies

THE INVESTMENT TRUST TABLE

The figures in the columns below are based on information supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures are unaudited.

as at close of business on Monday 23rd June 1980 — Geographical Spread at 31st May 1980

Total Assets less Current Liabilities (1) £ million	Company (2)	Share Price (3) pence	Yield (4) %	Net Asset Value (5) pence	UK (6) %	Nth. Amer. (7) %	Japan (8) %	Other (9) %	Total Return on N.A.V. over 5 years to 31.5.80 (10) base = 100
	VALUATION MONTHLY								
157	Alliance Trust	217	6.6	301	67	24	3	6	137
134	British Invest. Trust	153	6.5s	208	76	19	4	1	†
14	Grange Trust	96	5.0	129	72	22	1	5	155
78	Great Northern Invest. Trust	116	7.4s	159	79	9	1	11	161
84	Investors Capital Trust	85	4.2s	119	53	31	7	9	140
14	Jardine Japan Invest. Trust	105	1.6s	114	8	—	79	13	97
21	River Plate & General Invest. Trust	198	6.5	272	80	5	—	15	†
13	xSave & Prosper Linked Invest. Trust	65	—	172	100	—	—	—	147
144	Scottish Invest. Trust	107	5.8	148	□58	28	4	10	†
72	Scottish Northern Invest. Trust	94	4.8	125	75	22	—	3	208
120	Scottish United Investors	69	4.5	93	40	34	6	20	153
52	Second Alliance Trust	182	6.3	259	67	24	3	6	135
4	Shires Investment Co.	126	12.4	153	100	—	—	—	176
91	United States Debenture Corpn.	96	7.1s	129	72	28	—	—	†
	Baillie Gifford & Co.								
124	Scottish Mortgage & Trust	119	6.3	162	49	36	5	10	136
63	Monks Invest. Trust	55	5.9s	75	50	35	5	10	138
†	Winterbottom Trust	228	4.7	†	†	†	†	†	†
	Baring Bros & Co. Ltd.								
48	Outwich Invest. Trust	68	5.6	90	69	14	2	15	170
29	Tribune Invest. Trust	80	3.7s	107	54	20	5	21	138
	East of Scotland Invest. Managers								
51	Aberdeen Trust	104	7.3	149	81	18	—	1	†
	Edinburgh Fund Managers Ltd.								
70	American Trust	56	*4.8	73	□64	33	2	1	175
12	Crescent Japan Invest. Trust	168	2.1	176	—	—	100	—	130
15	General Scottish Trust	102	7.0	139	□72	18	5	5	186
9	Wemyss Invest. Co.	303	8.0	421	□75	13	1	11	151
	Electra Group Services								
87	Electra Invest. Trust	143	6.5s	172	74	16	—	10	†
†	Globe Invest. Trust	140	6.4s	†	†	†	†	†	†
42	Temple Bar Invest. Trust	108	8.8s	141	94	4	—	2	†
	F & C Group								
27	Alliance Invest. Co.	132	5.1s	179	68	11	9	12	172
28	Cardinal Invest. Trust	115	5.0s	163	64	12	2	22	185
6	F & C Eurotrust	49	3.5	61	30	2	—	68	99
216	Foreign & Colonial Invest. Trust	99	4.3	138	60	19	11	10	155
36	General Investors & Trustees	144	5.5s	204	58	12	2	28	183
	GT Management Ltd.								
22	Berry Trust	97	1.8	127	39	24	9	28	230
18	GT Japan Invest. Trust	177	4.8	187	27	4	57	12	186
9	Northern Securities Trust	154	4.1	228	46	29	9	16	188
	Gartmore Invest. Ltd.								
8	xAltifund Ltd.	220	0.4	348	93	3	—	4	†
28	Anglo-Scottish Invest. Trust	52	6.1s	77	67	22	—	11	153
30	English & Scottish Investors	50ac	*4.6	71ac	61	19	1	19	167
8	Group Investors	77	4.5	114	□59	29	2	10	221
6	London & Gartmore Invest. Trust	77	1.4	115	47	18	1	34	128
10	London & Lennox Invest. Trust	56	6.3	82	□46	32	—	22	164
26	London & Lomond Invest. Trust	80	6.1s	119	73	21	—	6	167
13	London & Strathclyde Trust	57	4.8s	78	65	18	—	17	154
16	Meldrum Invest. Trust	60	6.0s	82	96	—	—	4	203
	Gartmore Invest. (Scotland) Ltd.								
84	Scottish National Trust	170	4.2	240	63	21	2	14	160
22	Glasgow Stockholders Trust	120	4.1s	174	58	25	—	17	163
	John Govett & Co. Ltd.								
97	Border & Southern Stckhldrs. Trust	66	5.0s	94	63	19	9	9	154
14	General Stckhldrs. Invest. Trust	124	3.6s	188	51	32	5	12	156
74	Lake View Invest. Trust	105	4.9s	153	63	17	8	12	158
72	Stockholders Invest. Trust	105	4.3s	152	48	39	7	6	151
	Hambros Group								
26	Bishopsgate Trust	206	5.9s	314	71	22	1	6	175
5	City of Oxford Invest. Trust	88	8.9s	122	100	—	—	—	221
56	Hambros Invest. Trust	128	5.6s	191	□71	24	—	5	187
7	xRosedimond Invest. Trust	102	—	151	99	—	—	1	206
	Henderson Administration Ltd.								
135	Witan Investment Co.	102	4.9	147	62	22	12	4	147
24	Electric & General Invest. Co.	87	3.4	128	61	26	5	8	142
7	Greenfriar Invest. Co.	106	2.7	158	55	18	8	19	168
7	Lowland Invest. Co.	65	7.9	87	94	—	—	6	200
	Philip Hill (Management) Ltd.								
12	General & Commercial Invest. Trust	163	7.4s	222	78	18	—	4	175
26	General Consolidated Invest. Trust	97	7.5s	134	80	17	—	3	183
143	Philip Hill Invest. Trust	102	7.7s	138	82	15	—	3	176
7	Moorgate Invest. Co.	129	6.7	142	90	6	—	4	246
39	Nineteen Twenty-Eight Invest. Trust	75	7.4s	100	72	24	1	3	149
	Industrial & Commercial Fin. Corpn.								
13	London Atlantic Invest. Trust	85	7.6	109	87	7	—	6	228
8	North British Canadian Invest. Co.	113	5.4	124	98	2	—	—	†
	Investment Trust Services Ltd.								
30	Capital & National Trust	133	*6.2	191	73	15	4	8	164
14	Claverhouse Invest. Trust	109	7.1s	144	99	1	—	—	220
14	Crossfriars Trust	99	7.0	136	100	—	—	—	217
66	Guardian Invest. Trust	90	6.2s	127	83	9	4	4	157
39	London & Holyrood Trust	120	6.1s	173	70	17	4	9	154
27	London & Montrose Invest. Trust	195	5.6	281	65	21	5	9	152
51	London & Provincial Trust	114	6.0s	161	65	22	4	9	149
112	Mercantile Invest. Trust	52	6.4s	69	62	25	3	10	162
44	Sterling Trust	179	6.9s	258	76	19	3	2	147
†	Technology Invest. Trust	106	4.9s	†	†	†	†	†	†
81	United British Securities Trust	132	6.4	182	69	18	4	9	152
25	United States & General Trust	206	6.7s	302	74	18	2	6	152
	Ivory & Sime Ltd.								
73	Atlantic Assets Trust	187	0.7	243	□51	43	—	□6	329
118	British Assets Trust	85	5.7s	108	□54	40	—	6	193
41	Edinburgh American Assets Trust	65	1.5	81	33	54	2	11	182
26	Viking Resources Trust	216	1.0s	250	37	57	—	6	284
	Keyser Ullmann Ltd.								
12	xThrogmorton Secured Growth Trust	112	—	184	100	—	—	—	260
55	Throgmorton Trust	95	8.4	125	100	—	—	—	298
	Kleinwort Benson Ltd.								
31	British American & General Trust	44	7.0s	60	71	21	4	4	†
27	Brunner Invest. Trust	57	6.5	83	63	26	4	7	193
37	Charter Trust & Agency	61	6.9s	87	72	19	4	5	163
46	English & New York Trust	81	6.4s	113	69	24	2	5	†
6	Family Invest. Trust	116	6.7	126	96	—	—	4	†
4	Jos Holdings	60	6.7s	75	82	9	3	6	177
8	London Prudential Invest. Trust	90	7.1	124	76	17	2	5	207
58	Merchants Trust	79	6.8	111	66	26	3	5	167
	Lazard Bros & Co. Ltd.								
52	Raeburn Invest. Trust	130	6.6s	188	67	25	1	7	134
42	Romney Trust	97	5.4s	138	59	33	2	6	141
	Martin Currie & Co. CA								
12	Canadian & Foreign Invest. Trust	114	6.4	171	71	26	1	2	151
21	St. Andrew Trust	126	6.4s	176	71	22	3	4	148
103	Scottish Eastern Invest. Trust	68	6.0s	93	63	31	2	4	143
25	Scottish Ontario Invest. Co.	67	6.7	86	61	30	4	5	133
59	Securities Trust of Scotland	95	7.2	134	69	23	[illegible]	[illegible]	147
	Murray Johnstone Ltd.								
49	Murray Caledonian Invest. Trust	52	*4.0	75	48	33	7	12	142
71	Murray Clydesdale Invest. Trust	50	*4.2	70	45	35	8	12	141
17	Murray Glendevon Invest. Trust	97	*3.2	140	50	28	9	13	154
7	Murray Minor Invest. Trust	81	*4.2	112	52	31	9	8	159
25	Murray Northern Invest. Trust	57	*3.9	83	44	36	8	12	142
79	Murray Western Invest. Trust	62	*4.9	89	48	34	7	11	140
	Rivermoor Management Ltd.								
119	The London Trust Ltd.	147	5.9	191	60	18	—	22	†
18	The Moorside Trust Ltd.	111	7.7	155	64	23	—	13	†
37	River and Mercantile Trust	217	7.9s	298	84	1	—	15	†
	J Henry Schroder Wagg Group								
24	Ashdown Invest. Trust	144	5.6s	212	58	32	6	4	149
8	Australian & International Trust	100	4.8	134	40	6	3	51	118
32	Broadstone Invest. Trust	157	5.8s	228	55	35	5	5	153
58	Continental & Industrial Trust	228	6.6s	319	66	32	—	2	159
32	Trans-Oceanic Trust	181	5.3s	262	48	39	6	7	151
	Stewart Fund Managers Ltd.								
89	Scottish American Invest. Co.	114	4.7	142	56	31	1	12	202
9	Scottish European Invest. Co.	37	6.5	51	2	—	—	98	105
	Touche Remnant & Co.								
117	Atlas Electric & General Trust	75	5.8	101	71	13	3	13	176
37	Bankers' Invest. Trust	65	7.8s	92	78	14	2	6	157
18	CLRP Invest. Trust	76	6.6	114	65	12	1	22	151
36	Cedar Invest. Trust	77	7.4	105	75	11	3	11	157
49	City of London Brewery & Inv. Trust	72	7.0	100	94	2	—	4	174
33	Continental Union Trust	125	6.9	182	65	16	2	17	154
212	Industrial & General Trust	69	5.7	93	70	14	2	14	174
44	International Invest. Trust	79	6.9	118	78	13	6	3	152
59	Sphere Invest. Trust	129	6.3	180	70	18	3	9	166
42	Trust Union	65	6.6	90	70	17	1	12	162
79	Trustees Corporation	65	5.1	85	73	9	1	17	178
	Williams & Glyn's Bank Ltd.								
10	Sizewell European Invest. Trust	75	4.0	95	□33	10	—	57	111
2	Atlanta Baltimore & Chicago	57	2.1	66	23	77	—	—	133
2	West Coast & Texas Regional	68	2.6	81	19	81	—	—	130
	VALUATION THREE-MONTHLY								
	City Financial Administration Ltd.								
6	x Acorn Securities Co.	105	—	132	74	4	13	9	147
17	'Investing in Success' Equities	174	3.4s	249	35	25	23	17	164
27	General Funds Investment Trust	208	4.8	301	61	13	15	11	193
	Drayton Montagu Portfolio Managmnt.								
90	Drayton Premier Invest. Trust	185	6.8	283	50	12	6	32	123
78	Drayton Consolidated Trust	143	6.0	222	50	8	7	35	126
57	Drayton Commercial Invest. Co.	133	6.4	206	50	7	6	37	139
16	English and International Trust	97	7.4	154	47	15	4	34	153
10	Colonial Securities Trust	270	5.6	385	47	15	8	30	138
8	British Industries & General Inv. Tst.	105	6.0	166	43	15	7	35	141
8	Drayton Far Eastern Trust	50	3.2	64	27	—	17	56	147
3	City & Foreign Invest. Co.	65	—	68	17	83	—	—	†
6	Montagu Boston Invest. Trust	46	3.3	57	16	84	—	—	†
	East of Scotland Investment Managers								
13	Dominion & General Trust	200	7.4	283	66	30	—	4	152
31	Pentland Investment Trust	124	6.3s	173	64	28	1	7	162

NOTES TO THE TABLE

† No data.
x Split capital trust (capital shares).
* Applies to Ordinary/"A" Ordinary only.
s Does not include special dividend.
□ More than one quarter in non-equity investments.
ac Adjusted for scrip issues.
c Not approved for capital gains tax purposes.
‡ Figures not provided in view of announced discussions or recent developments affecting the company.

(a) Cols. 1, 3 to 5 — Figures supplied by Wood Mackenzie & Co., members of The Stock Exchange. Col. 1 to nearest £1m: Cols. 3 & 5 to nearest penny per share.

(b) Cols. 1, 5 — Statistics simulated to date shown based on latest valuations supplied by the companies and made available to The Stock Exchange. In these valuations listed securities are valued at mid-market prices and unlisted at directors' valuation. All revenue account items are excluded.

(c) Col. 4 — Based on last declared dividend or firm forecast plus tax credit, to nearest 0.1 per cent.

(d) Cols. 6 to 9 — Percentages of total assets less current liabilities. Currency balances are allocated to the relevant geographical sector.

(e) Cols. 5, 10 — Prior charges and preference share capital deducted at market value: convertible stocks deemed to be converted: warrants treated as not exercised.

(f) Col. 10 — Figures supplied by AITC Statistics Service, to nearest one per cent. A full description of the information shown in this column is given in the Investment Trust Year Book. In summary, the figures show the percentage changes in the net asset values over the period assuming that dividends paid, excluding tax credit, were reinvested in the underlying assets of the company.

INDICES OF FIVE YEAR TOTAL RETURN

General Trust Average	164
F.T.—Actuaries All Share	205
*Standard & Poors Composite	143
*Capital International World	154

*Adjusted for exchange rate changes.

EXPLANATORY NOTES

Use of total return statistics and care in interpretation

The total return statistic, which adjusts the net asset values for dividends, excluding tax credit, distributed during the period, enables companies with substantially different capital growth and dividend policies to be more fairly compared. A period of five years provides a good indication of trends and, in normal circumstances, should cover a traditional bull and bear market in the major world stock markets.

Each total return figure is indexed from a base of 100 at the commencement of the period and records the movements between two particular dates. Any particular total return figure may thus be affected by exceptional factors, operative at either the base date or at the final date, which were influencing the stock market generally or a sector of the market in which the company was interested. The geographical distribution of a particular company's portfolio should be considered in assessing its relative performance.

While the total return statistic, if used with care, provides a valuable guide to past experience which can assist comparison of one company with another, or the trust movement with other investment media, it should always be borne in mind that past performance is not necessarily a guide to future achievement.

The total return statistic for split capital trusts is not directly comparable with that for other companies because of the difference in capital structure. The split capital trusts have therefore been identified in the Table and are not included in the General Trust Average index figure.

Calculation of NAV

In order to avoid a plethora of figures and to facilitate comparability, the statistics of net asset value have been calculated on a uniform basis which may, in the case of a particular company, differ from the corresponding figures in its Annual Report and Accounts.

The net asset value is calculated on the "going concern" basis, ie with prior charges deducted at market value, as it is believed that this basis is the most widely accepted for comparative purposes.

Mainline Electronic ...
Manchester United FC ...
Merrydown Wine 38
New Court Natural Resources 44
North Sea Assets 107 8 9 10 11 12 13 15
Oldham Brewery 73 68
Oldham Estates 98 100
Star Offshore 25¾
Quest Automation 180 157 162
Quest Automation New 128 30 117 ¼ 27 9
Swan Hunter 5 ¼
Thermo-Skyships Defd. 110
United Friendly Insurance B 130 1
Webber Electro Components 66 8 ½ 9 70
Welsh Industrial Investment Trust 98

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration.

* Denotes Irish currency.

JUNE 26

Aran Energy 462 5 6 8 70 2 4 5 6 8 80 1
Berkeley Exploration and Production 208 10 12 13 14 15 17 18 19 20 ½ 1 2 3 5
Candecca Resources 188 90 1 3 4 5 7 8 9 200 1 2 3 4 5 6 7 8 9 10 11
CCP North Sea Associates 265 7 8 70
Cluff Oil 340 5 50
Gas and Oil Acreage 420 25 30
Pict Petroleum 415 20 5 30 3 5 40 50
Siebens Oil and Gas (UK) 245 7 8 50 ¼ 2 ¾ 3 5 6 7 8 60 1 2 3 5
South West Consd. Minerals 48½ 50
Sun Oil (UK) 690 700 20

JUNE 25

Aran Energy 458 60 2 4 5 8 95* 500*
Berkeley Exploration and Production 195 7 8 9 200 2 3 4 5
Candecca Resources 185 6 7 8 9 90 1 2 3
CCP North Sea Associates 262 3 5
Gas and Oil Acreage 390 410 15 20
Pict Petroleum 400 5 10 15
Siebens Oil and Gas (UK) 238 40 2 3
South West Consolidated Minerals New 46 8 9 ½
Sun Oil Company (UK) 675 98

JUNE 24

Aran Energy 454 5 60 2 4 8 70 2 4 80 95* 520* 5*
Berkeley Exploration and Production 195 7 8 9 200 2 3 5
Candecca Resources 180 1 2 3 4 5 7 8
CCP North Sea Associates 260 3
Cluff Oil 340 5 50
Gas and Oil Acreage 400 5 10 15 20 2 5
Pict Petroleum 395 400 5 10 20
Siebens Oil and Gas (UK) 233 5 7 8 40 3 5
South West Consolidated Minerals New 46 7 8
Sun Oil Company (UK) 675 90 700 15 25 30

JUNE 23

Aran Energy 462 6 9 70 4 6 8 80 2 4 6
Berkeley Exploration and Production 200 2 3 5 6 7 8 10 11 12 13
Candecca Resources 182 4 5 6 7 8 90 1 2 3
CCP North Sea Associates 262 3 4 5
Cluff Oil 340 2 5 50
Gas and Oil Acreage 395 400
Pict Petroleum 410 20 5
Siebens Oil and Gas (UK) 245 6 7 8 50
South West Consolidated Minerals New 48 9 50

JUNE 20

Aran Anergy 458 60 2 4
Berkeley Exploration and Production 205 5 7 8 10 12 13 15
Candecca Resources 184 5 6 7 8 9 90 1 2 3 4 5
CCP North Sea Associates 252 5 7 8 9
Cluff Oil 345 50
Gas and Oil Acreage 390 5
Pict Petroleum 410 15 20 5
Siebens Oil and Gas (UK) 240 2 3 5 6 8 9 50 7
South West Consolidated Minerals New 49 50 ½ 1

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EXCHANGES AND BULLION

Trading was very quiet in currency markets yesterday ahead of the weekend, month end and half year. Most currencies were quoted within a very narrow band and only sterling and the Italian lira showed any significant movement. Demand for sterling increased as a result of short covering after Thursday's unchanged MLR. Its trade weighted index rose to 74.1 from 73.9, its best level since the beginning of the month, and stood at 74.0 at noon and in the morning. Against the dollar it opened at $2.3460-2.3470 and dipped to $2.3410-2.3420 as the dollar showed a firmer tendency initially. However during the afternoon the dollar fell back ahead of the U.S. trade figures, which were expected to be disappointing. Consequently sterling rose to a best level of $2.3530-2.3540 and closed at $2.3465-2.3475, a rise of 25 points.

Despite a late set back, the dollar finished largely unchanged on balance, closing at DM 1.7640 against the D-mark, unchanged from Thursday and SwFr 1.6275 against SwFr 1.6280 in terms of the Swiss franc. The U.S. unit was quoted at Y217.50 against the yen, compared with Y217.30. The Italian lira remained weak ahead of economic measures expected next week. The dollar finished at L841, its best level for over a month, and sharply firmer than Thursday's close of L838¼. The dollar's trade weighted index closed unchanged at 83.4.

Gold rose $14 an ounce to close at $636-639, its highest level since March 5.

UK MONEY MARKET

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

The Treasury bill rate fell by 0.0537 per cent at yesterday's tender to 15.6801 per cent, its lowest level since MLR was increased last November. The minimum accepted bid was £96.085 against £96.075 the previous week. Bids at that level were met as to about 15 per cent and above in full. The £300m bills on offer attracted bids of £952.39m and all bills offered were allotted. Next week a further £300m bills will be on offer, replacing a similar amount of maturities.

Day-to-day credit remained in short supply in the London money market and the authorities gave assistance on a moderate scale. This comprised small purchases of Treasury bills, direct from discount houses, and moderate loans to 6 or 7 houses at MLR, for repayment on Monday. The market was faced with the repayment of Thursday's official market advances and a small net take up of Treasury bills to finance. There was also a slight increase in the note circulation. On the other hand banks brought forward balances some way above target and there was a moderate excess of Government disbursements over revenue transfers to the Exchequer.

In the interbank market weekend loans opened at 17¾-17⅞ per cent and dipped to 17-17½ per cent during the afternoon, before coming back to 20 per cent at the close.

THE POUND SPOT AND FORWARD

June 27	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.3410-2.3540	2.3465-2.3475	1.63-1.53c pm	8.08	4.23-4.13 pm	7.12
Canada	2.6920-2.7055	2.6965-2.6985	0.94-0.84c pm	3.96	3.40-3.30 pm	4.97
Nethlnd.	4.52½-4.56	4.53-4.54	3¼-2¼c pm	7.28	7½-6½ pm	6.17
Belgium	66.10-66.50	66.25-66.35	25-15c pm	3.62	55-45 pm	3.02
Denmark	12.83-12.88	12.83-12.84	¼ore pm-1½ dis	−0.52	2-4¾ dis	−0.95
Ireland	1.1055-1.1100	1.1070-1.1080	0.03p pm-par	0.16	0.19-0.13 pm	0.58
W. Ger.	4.13-4.16	4.13½-4.14½	3⅛-2⅛ pf pm	7.61	8.7 pm	7.25
Portugal	114.20-116.20	114.65-114.85	par-40c dis	−2.09	40pm-85dis	−0.78
Spain	164.00-165.00	164.50-164.70	20c pm-35 dis	−0.55	30-100 dis	−1.58
Italy	1960-1983	1971-1976	19½-21½lire dis	−12.46	42½-44½dis	−8.77
Norway	11.35-11.40	11.36½-11.37½	8-6¼ ore pm	7.52	19¾-17¾ pm	6.53
France	9.60-9.65	9.61-9.62	4¾-3¾c pm	5.30	10½-9½ pm	4.16
Sweden	9.74-9.80	9.77-9.78	2⅝-1⅞ ore pm	2.53	5-4¾ pm	1.89
Japan	506-512	510-511	2.20-1.85y pm	4.52	6.15-5.85 pm	4.62
Austria	29.30-29.55	29.39-29.44	18-14gro pm	6.53	47-40 pm	5.91
Switz.	3.80-3.84	3.81½-3.82½	4¾-3¾c pm	11.78	10¾-9¾ pm	10.73

Belgian rate is for convertible francs. Financial franc 66.55-66.65. Six-month forward dollar 6.20-6.15c pm. 12-month 9.40-9.30c pm.

GOLD

	June 27		June 26	
Gold Bullion (fine ounce)				
Close	$636-639	(£270½-272)	$622-625	(£265¼-266¾)
Opening	$624-627	(£266-267½)	$618-621	(£265¼-266¾)
Morning fixing	$631.50	(£269.259)	$623.25	(£267.237)
Afternoon fixing	$637.50	(£270.988)	$624.50	(£265.971)
Gold Coins				
Krugerrand	$654-656	(£278¼-279¾)	$641¾-644¾	(£274-276)
Mapleleaf	$652-655	(£275¾-278¾)	$640-643	(£272½-274½)
New Sovereigns	$160½-161½	(£68¼-69¼)	$157¾-158¾	(£67¼-68¼)
King Sovs	$180-182	(£76½-77½)	$178-180	(£76-77)
Victoria Sovs	$180-182	(£76½-77½)	$178-180	(£76-77)
French 20s	$158-161		$158-161	
50 pesos Mexico	$776-786		$766-771	
100 Cor. Austria	$625-630		$609-614	
$20 Eagles	$729-733		$714-717	
$10 Eagles	—		—	
$5 Eagles	—		—	

EXCHANGE CROSS RATES

June 27	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.347	4.140	510.5	9.615	3.820	4.535	1974.	2.698	66.30
U.S. Dollar	0.426	1.	1.764	217.5	4.097	1.628	1.932	840.9	1.149	28.25
Deutschemark	0.242	0.567	1.	123.3	2.322	0.923	1.095	476.7	0.652	16.01
Japanese Yen 1,000	1.959	4.597	8.110	1000.	18.83	7.483	8.883	3866.	5.284	129.9
French Franc 10	1.040	2.441	4.306	530.9	10.	3.973	4.717	2053.	2.806	68.95
Swiss Franc	0.262	0.614	1.084	133.6	2.517	1.	1.187	516.6	0.706	17.36
Dutch Guilder	0.221	0.518	0.913	112.6	2.120	0.842	1.	435.2	0.595	14.62
Italian Lira, 1,000	0.507	1.189	2.098	258.7	4.872	1.936	2.289	1000.	1.367	33.60
Canadian Dollar	0.371	0.870	1.533	189.2	3.564	1.416	1.681	731.6	1.	24.58
Belgian Franc 100	1.508	3.540	6.244	770.1	14.50	5.762	6.840	2977.	4.069	100.

FT LONDON INTERBANK FIXING (11.00 a.m. JUNE 27)

3 month U.S. dollars		6 month U.S. dollars	
bid 97/16	offer 99/16	bid 911/16	offer 913/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris, and Morgan Guaranty Trust.

LONDON MONEY RATES

June 27 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ɸ	Eligible Bank Bills ɸ	Fine Trade Bills ɸ
Over night	—	17-20	—	—	—	—	14-17	—	—	—
2 days notice	—	—	17⅞	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	17⅝-17⅞	17⅞	—	18¼	18	16⅞-17	—	—	—
One month	17½-17⅝	17⁷⁄₁₆-17⁹⁄₁₆	17½-17¾	18½-18¾	17⅞	17⅞	16¾	15⅛-15¼	17⁵⁄₁₆-17¼	18
Two months	17⁷⁄₁₆-17⅛	17⅛-17¼	—	18¼-18⅝	17⅝	—	16⅜	15²⁹⁄₃₂-15⅞	16¾	17½
Three months	16⅞-16¾	16⅞-17	16¾-17	17¼-17¾	17¼	17⅛	16-16⅛	15²¹⁄₃₂-15⁹⁄₁₆	16⁷⁄₁₆	16¾
Six months	15⅞-15⅝	15⅞-15¹¹⁄₁₆	16¼-15¾	15⅝-15¾	16	17⅜-17½	—	—	14⅝-14⁷⁄₁₆	15⅜
Nine months	14⅞-14⁷⁄₁₆	14⅝-14¾	—	16⅞-15⅝	16	16¼	—	—	—	—
One Year	14⅛-13⅞	14⁷⁄₁₆-14⁵⁄₁₆	13⅞-14⅛	14⅜-14¾	14¾	15¾	—	—	—	—
Two years	—	—	13⅞-14¼	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. *Long-term local authority mortgage rate nominally three years 13¾-13⅞ per cent; four years 13¾-13⅞ per cent; five years 13¾-13⅞ per cent. ɸBank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 15⅝ per cent; four-month trade bills 16¾ per cent.

Approximate selling rate for one-month Treasury bills 15⁷⁄₁₆-15¹³⁄₃₂ per cent; two-months 15¹⁷⁄₃₂-15¹⁹⁄₃₂ per cent; three-months 15¹⁹⁄₃₂-15⅝ per cent. Approximate selling rates for one-month bank bills 17⁵⁄₁₆-17⅛ per cent; two-months 16⅝ per cent; three-months 16⁵⁄₁₆-16⁹⁄₃₂ per cent; one-month trade bills 17¾ per cent; two-months 17½ per cent and three-months 16½ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 17½ per cent from June 1, 1980. Closing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 15.6801 per cent.

CURRENCY MOVEMENTS

June 27	Bank of England Index	Morgan Guaranty Changes %
Sterling	74.1	−31.9
U.S. dollar	83.4	−10.5
Canadian dollar	81.7	−16.0
Austrian schilling	155.9	+24.5
Belgian franc	115.9	+14.2
Danish kroner	107.5	−4.0
Deutsche mark	165.6	+44.5
Swiss franc	198.1	+79.9
Guilder	125.8	+19.8
French franc	101.8	−5.5
Lira	52.8	−51.4
Yen	130.3	+28.2

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

EURO-CURRENCY INTEREST RATES (Market Closing Rates)

June 27	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	—	9⅛-9⅜	12½-14½	10⅝-10⅞	30-35.	9¾-9⅞	12½-12¾	50-60	9⅜-9½	13-13½
7 days' notice	17⅝-18⅛	9⅛-9⅜	12½-14½	10⅝-10⅞	3-3½	9⅝ 9¼	12½-12¾	35-55	9⁷⁄₁₆-9⁹⁄₁₆	13-13½
Month	17½-17⅝	9⁷⁄₁₆ 9¹¹⁄₁₆	12⅜-12⅛	10½-10⅝	5⅝-5¾	9½-9⅝	12⅜-12⅝	30-35	9⅝-9¾	12⅞-13
Three months	16⅞-17⅛	9¼-9½	11⅛-11½	10⁷⁄₁₆-10⅝	5⅝-5¾	9⁷⁄₁₆-9⁹⁄₁₆	12⅝-12⅝	24-27	9⅜-9½	11¾-12
Six months	15⁵⁄₁₆-15¹¹⁄₁₆	9⅜-9⅞	10¹⁵⁄₁₆-11¹⁄₁₆	10⅜-10½	5⅝-5¾	8⅞-9	12⅝-12⅝	21½-23½	9⅝-9¾	10¾-11
One Year	14⁵⁄₁₆-14⅞	9½-9¾	10⅛-10½	10⅛ 10¼	5⅛-5¼	8⁵⁄₁₆-8⁷⁄₁₆	12½-12¾	19½-21	9⁷⁄₁₆-9⁹⁄₁₆	9½-9½

The following nominal rates were quoted for London dollar certificates of deposit: one-month 8.95-9.05 per cent; three-months 8.95-9.05 per cent; six-months 8.90-9.00 per cent; one year 8.95-9.05 per cent.

Long-term Eurodollar two years 10⅛-10⅜ per cent; three years 10⅜-10⅝ per cent; four years 10¾-11 per cent; five years 10⅞-11⅛ per cent; nominal closing rate. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice. Asian rates are closing rates in Singapore.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU June 27	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.2753	+1.22	+0.41	±1.53
Danish Krone	7.72336	7.79279	+0.90	+0.09	±1.64
German D-Mark	2.48208	2.51473	+1.32	+0.51	±1.125
French Franc	5.84700	5.84138	−0.10	−0.91	±1.3557
Dutch Guilder	2.74362	2.75691	+0.48	−0.33	±1.512
Irish Punt	0.668201	0.672845	+0.70	−0.11	±1.668
Italian Lira	1157.79	1197.36	+3.42	+3.12	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

June 27	£	$		£ Note Rates
Argentina Peso	4339-4359	1848-1855	Austria	29.20-29.50
Australia Dollar	2.0290-2.0330	0.8645-0.8650	Belgium	66.20-66.70
Brazil Cruzeiro	122.60-123.60	52.115-52.315	Denmark	12.76-12.86
Finland Markka	8.55½-8.56½	3.6370-3.6385	France	9.58-9.66
Greek Drachma	98.214-104.259	42.65-42.80	Germany	4.12½-4.15½
Hong Kong Dollar	11.56-11.58	4.9260-4.9280	Italy	1920-1970
Iran Rial	n/a	n a	Japan	509-514
Kuwait Dinar(KD)	0.623-0.629	0.2667-0.2668	Netherlands	4.52-4.55
Luxembourg Frc.	66.25-66.35	28.24-28.26	Norway	11.30-11.39
Malaysia Dollar	5.0350-5.0450	2.1445-2.1465	Portugal	111¼-116
New Zealand Dlr.	2.3750-2.3800	1.0115-1.0125	Spain	159½-166
Saudi Arab. Riyal	7.77-7.83	3.3290-3.3310	Sweden	9.72-9.80
Singapore Dollar	4.9700-4.9800	2.1175-2.1195	Switzerland	3.80½-3.83½
Sth. African Rand	1.8070-1.8095	0.7700-0.7710	United States	2.348-2.357
U.A.E. Dirham	8.65-8.71	3.7010-3.7030	Yugoslavia	62½-67

Rate given for Argentina is free rate.

U.K. CONVERTIBLE STOCKS 27/6/80

Statistics provided by *dataSTREAM International*

Name and description	Size (£m)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◊ Current
Bank of Ireland 10pc Cv. 91-96	1.20	142.00	47.6	77-81	7.2	5.2	−11.0	−13 to −7	0.0	9.4	5.9	+16.9
British Land 12pc Cv. 2002	7.71	277.00	333.3	80-97	4.4	2.1	− 0.5	− 3 to 6	0.0	89.5	32.2	+32.6
Hanson Trust 6½pc Cv. 88-93	3.02	90.00	57.1	76-81	7.4	7.9	− 2.2	−10 to −2	3.1	3.2	0.1	+ 2.3
Slough Estates 10pc Cv. 87-90	5.44	234.00	187.5	78-86	4.3		− 4.7	− 5 to 2	36.0	39.7	1.5	+ 6.2
Slough Estates 8pc Cv. 91-94	24.88	118.00	78.0	80-91	6.8	5.7	15.5	15 to 22	26.3	47.7	20.9	+ 5.4
Ultramar 7pc net R.Cv.Pfd.	12.59	3.86	1.1	76-81	2.6		− 2.4	− 4 to 6	11.5	9.6	−0.5	+ 2.0
Wilkinson Match 10pc Cv. 84-98	11.10	70.50	40.0	76-83	14.2	14.6	56.0	31 to 63	15.0	24.7	21.5	−34.4

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

Oils dominate dreary end-Account session in equities
Gilts easier and long tap stock ends at ¼ discount

Account Dealing Dates
Options

*First Dealings	Declarations	Last Dealings	Account Day
June 16	June 26	June 27	July 7
June 30	July 10	July 11	July 21
July 14	July 24	July 25	Aug. 4

* " New time " dealings may take place from 9 am two business days earlier.

Stock markets passed the last session of the fortnightly trading Account in dreary fashion with interest confined to specialist sectors. Among these, Oils enjoyed a much broader trade than on Thursday, and the business was spread over the whole range of North Sea stocks, particularly the more speculative issues. Leading Oils were relatively subdued. Speculation also continued in one or two Electricals with Ferranti again being especially prominent pending the placing of the NEB's 50 per cent stake.

End-Account selling took leading shares slightly lower at the start and the decline gathered momentum as Gilt-edged securities began to move easier when trading commenced the usual half an hour later. Business was generally slow throughout the session, but picked up after the official close when trade for the Account beginning on Monday is allowed without new-time penalty. As a result, the FT 30-share index rallied from being 4.4 lower at 3 pm to close 3.2 down on balance at 463.5 for a net rise on the two-week Account of 7 points.

The market in British Funds was adversely affected by a surfeit of stock. Early selling forced some longer maturities down ½ before the tone improved helped by the Bank of England's decision to revive the Gilt-edged sale and repurchase facility to the banking system. The longer-dated of Thursday's two new tap stocks, **Treasury** 13 per cent 2000, slipped to ¼ discount in £30-paid form, but the shorter issue, **Exchequer** 12½ per cent 1985 A (£40-paid), held at par. Final losses of around ½ were general at both ends of the market, but sentiment tended to improve slightly after-hours following news of U.S. Prime rate cuts to 11½ per cent.

Brokers firm

Southern Rhodesian bonds were often a couple of points firmer when their listings were suspended pending details of the arrangements agreed for the payment of debt which will be announced simultaneously in London and Salisbury early next week. The 2½ per cent 1965-70 bond closed two points up at £153.

Demand for Traded options improved and contracts arranged amounted to 1,163, the highest total of the week, and brought the week's daily average to 932.

Insurance brokers met with scattered support after the recommendations contained in the Fisher Report with **Alexander Howden** adding 2 to 104p and **C. E. Heath** firming 3 to 193p. **Willis Faber** improved 4 to 236p.

Barely tested during the House session, the major clearing banks moved ahead in the after hours' dealings and **Barclays** were finally 4 firmer at 395p while **Lloyds** closed 5 up at 325p.

Bass, initially firm at 232p, became unsettled by Press comment on the current brewery workers' dispute at Burton-on-Trent and the close was 4 cheaper on balance at 226p. Distilleries were featured by **Highland** which continued to attract speculative support and firmed 7 more to 147p; the outcome of the Monopolies Commission's investigation into the offer from Hiram Walker is expected during July.

Building issues usually lost ground, but selling pressure was light. **Redland**, at 172p, gave back 5 of the previous day's gain of 7 which reflected better-than-expected results, while sporadic offerings left **Brown and Jackson** 8 off at 128p. Up 25 on Thursday in response to the more-than-doubled profits, **Burnett and Hallamshire** shed 15 to 665p. In Timbers, **Montague L. Meyer** closed 3 easier at 92p, after 90p, and **Phoenix** relinquished 5 to 110p. Elsewhere, **Federated Land** came in for support and added 3 to 81p, while **P. C. Henderson** A firmed 5 for a two-day gain of 10 to 155p in a thin market. **Countryside Properties** shed 3 to 61p; the reference here yesterday to the company's return to profitability at the interim stage was in error, profits of £753,000 for the six months to end-March comparing with £514,000 in the same period of 1978-79.

Interest in **ICI** increased in the after hours' dealings and the price was finally unchanged at 382p, after 378p.

Mothercare remained a dull market, falling 6 more to 242p following sharply reduced first-quarter sales. **Woolworth**, unsettled by the recession in summer trading, eased 3 to 56½p, only 1½ off the 1980 low, on reports that the company has asked staff to take unpaid leave. Other Store leaders responded to late buying which halved earlier losses. **GUS A** ended just off at 428p, while **Marks and Spencer** also closed 2 cheaper, at 90p.

Ferranti volatile

Ferranti became a volatile market following the FT report that the Government has instructed the NEB to place its 50 per cent holding in the company as widely as possible; the shares reacted to 555p but recovered to 595p and closed a net 10 down at 585p. Elsewhere in Electricals, **Muirhead** continued a poor market on the niterim results announced earlier in the week and gave up 7 to 116p, while news of further redundancies continued to undermine **BSR** which gave up 2 for a fall on hte week of 7 to 22p. In contrast, **STC** found buyers and put on 10 to 360p, while **Telephone Rentals** were also supported and r ose 9 to 233p. **Plessey** responded afresh to the better-than-expected results with a further improvement of 3 to 181p for a jump of 21 since the announcement. **GEC**, 404p, and **Thorn EMI**, 286p, however, eased 6 apieec, while **Racal** gave up 4 to 266p.

Engineering leaders encountered fresh scattered offerings, **Tubes**, 6 down at 266p, not being helped by a report that the company has put 400 domestic appliance workers on short-time working. **GKN** eased 4 more to 234p. Press suggestions of a possible counter-bid left **Rolls-Royce** 5 higher at 72p, after 73p; **Vickers** ended 2 firmer at 130p, making the agreed offer worth 65p per share. Further demand left **Mining Supplies** 6 to the good at 108p, while **Anderson Strathclyde** continued to reflect satisfaction with the recent results and proposed rights issue by rising 3 more to 85p.

Selected Foods moved against the generally dull trend with **British Sugar** notable for a gain of 4 at a 1980 peak of 228p on expectations of a strengthening commodity price. Buying ahead of Monday's preliminary results lifted **Louis C. Edwards** 2 to 73p, while renewed demand in a thin market left **Nichols (Vimto)** 15 higher for a gain on the week of 65 to 405p. Late interest was shown in **Associated Fisheries** which added 3 at 67p.

Trusthouse Forte slipped to 184p before regaining the overnight level of 187p, but still recorded a loss on the week of 8 on disappointing results.

Johnson Matthey good

Still reflecting recent Press comment suggesting a possible bid from Charter Consolidated, **Johnson Matthey** were in renewed demand and put on 20 for a gain on the week of 37 to 367p.

The company's diminishing share of the UK car market unsettled BL dealers. **Appleyard** featured, falling 6 to 44p, while **Lex Service**, 74p, and **Manor National**, 19p, each shed 3. **Caffyns** gave up 5 at 113p. **Selected Components** were also hit by uncertainty over the general health of the British car industry with **Lucas** 3 easier for a loss on the week of 13 at 197p. **Associated Engineering** dipped 3½ to 54p.

Among Newspapers, **Associated** attracted fresh support and added 6 more to 322p, while **Daily Mail A** jumped 12 to 515p. Elsewhere, **BPC** were again buoyed by the TV Times contract, rising 2½ for a two-day gain of 4½ to 23p.

Active day in Oils

Enlivened by expectations of further drilling reports from some of the North Sea exploration issues, Oil shares enjoyed an active and firm day's trading. Still reflecting the discovery near the Ninian field, **Lasmo** were again prominent and advanced 42 more to 792p, while **Tricentrol** closed 14 to the good at 400p, after 414p, following the appraisal of well 211/13A. Speculation abotu a possible gas find prompted a further rise of 16 to 256p in **Berkeley Exploration**, while Press mention stimulated interested in **Pict Petroleum** which gained 20 to 460p. **Basic Resources** advanced 85 to 610p and **Clyde** 34 to 634p, while **Seibens** closed 24 higher at 284p and **Candecca** 12 to the good at 222p. News of the £3.8m rights isue failed to deter **Charterhall** which improved 5 to 80p. Awaiting next Tuesday's preliminary figures, **IC Gas** gained 20 to 874p.

Trusts closed a shade firmer, reflecting the strength of the Oil sector, **Atlantic Assets** hardened a couple of pence to 192p and **Oil and Associated** added 3 to 89p. **Viking Resources** rose 9 to 251p following the net asset revaluation.

Courtaulds found late support and added a couple of pence to 75p, but other Textiles usually closed a shade easier, **David Dixon** eased 3 more to 110p, while **British Mohair Spinners** shed 2 at 43p.

Bats continued to react to scattered selling and gave up 5 to 253p; a fall of 23 since **Imperial** disposed of it's remaining stake in the company on Monday; **Imperial** declined 1½ to 82p.

Busy Australians

Activity in Australian mining and oil issues reached fever pitch yesterday at the end of a week of extremely heavy turnovers and spectacular rises.

The latest bout of speculative buying was sparked off by **Strata Oil**'s gas discovery in the Perth Basin, announced on Wednesday, and the strength of the bullion price. Yesterday, Strata fell sharply in early trading and touched 68p before rallying strongly in the after-hours' trade to close 2 up on balance at 84p —more than double the price ruling a week ago and a spectacular 74 up over the past month.

Gold stocks staged a strong advance in the late trade following heavy and persistent buying. **Gold Mines of Kalgoorlie** surged 42 to 434p, **Poseidon** 18 to 207p, **Otter** a like amount to 106p and **North Kalgurli** 5 to 93p.

Valiant Consolidated, which on Thursday announced encouraging drilling results from its Holleton gold prospect in Western Australia, dropped to 94p before recovering to close at 108p, 2 cheaper on the day but 48 higher over the week.

The firmness of the bullion price throughout the week encouraged persistent support for South African Golds which gained ground for the fourth successive day. The bullion price closed $14 up at $637.50—$34 higher over the week and its best level since March 5.

Although demand was generally only modest, early support from Johannesburg and the Continent was followed by American buying in the after-hours' trade and the Gold Mines index put on 2.8 more to 349.7, a week's rise of 23.6.

South African Financials mirrored Golds, while London Financials attracted a good deal of "new time" buying after hours.

Hopes that the terms resulting from the BP bid approach to **Selection Trust** will be released next week encouraged sizeable buying of the latter which rose ½ to £11½ and of **Charter**, 3 better at 203p. **Tanks** put on 7 to a 1980 high of 327p a week's gain of 22 — in response to persistent Continental interest and vague bid rumours.

LONDON TRADED OPTIONS

Option	Ex'rcise price	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	Equity close
BP	300	78	—	88	10	106	10	374p
BP	360	28	6	48	40	64	15	"
BP	390	12	20	26	4	40	—	"
BP	420	3	4	15	5	—	—	"
Com. Union	130	18	—	24	6	28	—	144p
Com. Union	140	9	—	14	9	21	—	"
Com. Union	160	1	—	7	20	11	—	"
Cons. Gold	500	34	86	62	—	75	—	518p
Cons. Gold	550	9	21	35	8	47	—	"
Courtaulds	60	15	—	18½	—	20	2	73p
Courtaulds	70	6	20	10	—	12½	—	"
Courtaulds	90	½	—	—	4	—	—	"
GEC	390	25	4	41	3	56	—	402p
GEC	420	8	17	24	10	39	—	"
Grand Met.	120	36½	—	39	—	42½	2	165p
Grand Met.	130	26½	—	29½	8	34½	—	"
Grand Met.	140	17	3	22½	114	27½	—	"
Grand Met.	160	4	—	12	131	18½	6	"
ICI	390	6½	10	18	18	30	—	378p
Land Secs.	293	32	3	47	—	57	—	321p
Land Secs.	323	11	16	26	10	38	—	"
Land Secs.	353	1½	—	12	2	25	—	"
Marks & Sp.	80	11	10	16	—	18½	—	89p
Marks & Sp.	90	3	41	9½	5	12	—	"
Marks & Sp.	100	1	—	4½	6	8	—	"
Shell	390	20	27	38	—	52	—	402p
Shell	420	6	3	18	6	34	—	"
Totals			290		419		35	
		August		November		February		
Imperial Gp.	70	14½	—	16½	—	19	2	83p
Imperial Gp.	80	5	79	8	2	11	—	"
Lonrho	90	18½	101	21	15	24	21	102p
Lonrho	100	12	148	16	—	18	—	"
Racal Elec.	220	48	—	60	2	71	—	265p
Racal Elec.	240	30	36	46	—	57	—	"
Racal Elec.	260	16	10	32	1	44	—	"
RTZ	300	128	1	—	—	—	—	422p
RTZ	460	10	—	22	1	—	—	"
Totals			375		21		23	

NEW HIGHS AND LOWS FOR 1980

The following shares quoted in the Share Information Service yesterday attained new Highs and Lows for 1980.

NEW HIGHS (87)

BRITISH FUNDS (3)
Treas. Variable '81 — Treas. Variable '83
Treas. Variable '82

BUILDINGS (2)
BPB Inds. — Federated Land

ELECTRICALS (4)
Plessey — Tele. Rentals
Std. Tele. & Cables — United Scientific

ENGINEERING (6)
APV — Howden Group
Brotherhood (Peter) — Mining Supplies
Hawthorn Leslie — Victor Products

FOODS (2)
British Sugar — Edwards (Lou. C.)

INDUSTRIALS (18)
BTR — Kalamazoo
Bestobell — Lep Group
Cawoods — Morgan Crucible
Cont. Stationery — Powell Duffryn
Halma — Pritchard Services
Hanson Trust — Provincial Laundries
Holden (A.) — Royal Worcs.
Johnson Matthey — Securicor "A" NV
Jourdan (T.) — Sotheby P. B.

MOTORS (1)
Rolls-Royce

NEWSPAPERS (1)
Associated News.

PROPERTY (2)
Allnatt London — Avenue Close

TRUSTS (28)
Ashdown — Jos Higgs.
Atlantic Assets — Lanc. & London Inv.
Bankers Inv. — Murray Glendevon
Berry Trust — 1928 Inv.
Continental Union — Northern Secs.
Dominion & General — Outwich
Drayton Far Eastern — River & Mercantile
Eng. & Scot. Inv. — Rothschild Inv.
Gen. & Commercial — Scot. National
General Funds Conv. — Scot. Northern
General Scottish — Sphere Inv.
Glasgow Stockholders — Tribune Inv.
Great Northern Inv. — Triplevest Cap.
Hill (Philip) — Viking Resources

OIL AND GAS (12)
Attock — LASMO 14pc '81-83
Berkeley Explr. — Premier Cons.
BP 8pc Pref. — Ranger Oil
Candecca Resources — Siebens (UK)
Clyde Petroleum — Tricentrol
LASMO — Woodside

OVERSEAS TRADERS (1)
Inchcape

MINES (7)
Oilmin — Hartebeest
Swan Resources — Tanks Con.
Western Mining — Northern Kalgurli
Gold Mines of Kalgoorlie

NEW LOWS (20)

FOREIGN BONDS (3)
Chinese 4½pc 1898 — Chinese 5pc 1913
Do. 5pc 1912

CANADIANS (1)
Massey Ferguson

CHEMICALS (3)
British Benzol — Thurgar Bardex
Dixor-Strand

STORES (1)
Raybeck

ELECTRICALS (2)
BSR — Jones Stroud

ENGINEERING (3)
Black & Decker — Startrite
Duport

FOODS (1)
FMC

INDUSTRIALS (4)
Camrex — Neil & Spencer
Harris (Ph.) — Rotaprint

LEISURE (1)
Fairline Boats

OVERSEAS TRADERS (1)
African Lakes

OPTIONS

First Dealing	Last Dealing	Last Declaration	For Settlement
Jun. 9	Jun. 20	Sept. 11	Sept. 22
Jun. 23	Jul. 4	Sept. 25	Oct. 6
Jul. 7	Jul. 18	Oct. 9	Oct. 20

For rate indications see end of Share Information Service

Call options were dealt in British Land, Tricentrol, Woodside, Endeavour, Premier Oil, Westland Aircraft, AGB Research, Highland Distilleries, Carless Capel, KCA, South-West Consolidated Minerals, Cons. Gold Fields, Vickers, Consolidated Plantations, LRC, Charterhall, Rolls-Royce, FNFC, Shell, Johnson Matthey, Allnatt, Londono Properties, Ashton Mining, North Kalgurli and Town and City. Puts were completed in FNFC, Oxley Printing, Plessey and Thorn-EMI, while a double was transacted in Lonrho.

FINANCIAL TIMES STOCK INDICES

	June 27	June 26	June 25	June 24	June 23	June 20	A year ago
Government Secs.	69.33	69.47	69.78	69.65	70.05	70.53	71.09
Fixed Interest	70.84	70.84	70.82	70.90	70.84	70.84	72.65
Industrial	463.5	466.7	465.9	462.7	469.8	471.8	473.4
Gold Mines	349.7	†346.9	343.6	324.5	319.7	326.1	167.8
Ord. Div. Yield	7.73	7.65	7.68	7.75	7.65	7.62	6.94
Earnings, Yld. % (full)	18.68	18.42	18.49	18.65	18.41	18.34	16.18
P/E Ratio (net) (*)	6.51	6.61	6.58	6.53	6.61	6.64	7.88
Total bargains	23,816	21,899	20,268	19,891	22,699	21,972	—
Equity turnover £m.	—	164.34	115.67	101.26	128.56	141.33	110.28
Equity bargains total	—	18,526	15,555	15,394	16,402	16,882	15,490

10 am 465.2. 11 am 464.8. Noon 463.0. 1 pm 463.0.
2 pm 462.7. 3 pm 462.3.
Latest Index 01-246 8026.
*Nil=6.09.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.
†Corrected.

HIGHS AND LOWS

	1980 High	1980 Low	Since Compilat'n High	Since Compilat'n Low
Govt Secs.	70.53 (20/6)	63.85 (7/3)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	70.90 (24/6)	64.70 (10/3)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	478.8 (13/2)	406.9 (3/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	377.9 (29/2)	265.5 (18/3)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	June 27	June 26
—Daily		
Gilt Edged	117.1	118.9
Industrials	126.2	118.7
Speculative	40.3	48.6
Totals	89.4	84.5
5-day Avge.		
Gilt Edged	129.9	130.6
Industrials	124.7	123.2
Speculative	49.3	57.2
Totals	89.7	89.5

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	9	66	16	89	297	69
Cpns. Dom. and Foreign Bonds	3	20	43	49	45	237
Industrials	150	288	958	991	1,329	4,669
Financial and Property	107	93	297	625	449	1,413
Oils	26	9	18	99	76	90
Plantations	1	9	16	19	30	81
Mines	56	32	69	300	181	304
Others	33	63	63	254	200	334
Totals	385	580	1,480	2,425	2,605	7,187

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., June 27, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs., June 26 Index No.	Wed., June 25 Index No.	Tues., June 24 Index No.	Mon., June 23 Index No.	Year ago (approx.) Index No.	1980 High	1980 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (172)	253.53	−0.5	17.69	6.36	6.93	254.87	251.87	250.92	251.88	242.67	254.87 (26/6)	208.87 (3/1)	287.87 (4/5/79)	50.71 (13/12/74)
2	Building Materials (28)	244.85	−1.3	18.84	6.78	6.30	248.07	245.85	245.90	247.57	225.45	249.24 (18/6)	194.00 (3/1)	270.52 (8/5/79)	44.27 (11/12/74)
3	Contracting, Construction (27)	371.16	−0.4	25.20	6.56	4.76	372.80	371.65	371.57	372.93	358.15	377.28 (29/2)	313.00 (3/1)	451.74 (4/5/79)	71.48 (2/12/74)
4	Electricals (16)	688.56	−0.6	12.39	3.54	10.40	692.73	675.27	668.56	667.00	584.13	692.73 (26/6)	539.56 (2/1)	698.53 (4/5/79)	84.71 (25/6/62)
5	Engineering Contractors (11)	306.38	+0.1	22.16	8.46	5.66	306.06	305.89	303.79	305.54	364.54	306.55 (19/6)	264.74 (30/5)	429.70 (4/5/79)	64.39 (2/1/75)
6	Mechanical Engineering (74)	169.43	−0.1	18.87	7.79	6.49	169.56	168.54	167.93	168.27	182.37	173.75 (14/2)	146.46 (3/1)	211.08 (8/5/79)	45.43 (6/1/75)
8	Metals and Metal Forming (16)	163.68	−0.1	22.19	10.37	5.40	163.86	164.14	164.98	168.32	165.07	171.28 (29/2)	141.95 (2/1)	192.29 (4/5/79)	49.65 (6/1/75)
11	CONSUMER GOODS (DURABLE) (49)	219.08	−1.2	15.03	5.87	8.13	221.80	219.15	216.24	219.81	229.08	226.35 (3/3)	184.82 (3/1)	259.88 (8/5/79)	38.39 (6/1/75)
12	Lt. Electronics, Radio, TV (14)	323.12	−1.3	11.37	4.21	11.21	327.46	321.48	315.62	321.64	312.40	327.46 (26/6)	247.36 (3/1)	358.49 (11/9/79)	42.85 (13/12/74)
13	Household Goods (14)	98.56	−0.2	30.00	10.73	3.97	98.73	98.60	98.38	99.64	157.73	116.40 (1/1)	93.32 (9/6)	263.22 (4/5/72)	63.92 (17/12/74)
14	Motors and Distributors (21)	99.74	−1.1	23.16	9.95	5.01	100.89	101.43	101.36	102.34	117.62	115.86 (29/1)	94.70 (4/6)	170.59 (15/1/69)	19.91 (6/1/75)
21	CONSUMER GOODS (NON DURABLES) (172)	227.53	−0.8	18.19	7.03	6.64	229.41	229.74	229.01	233.45	234.21	234.08 (20/6)	200.15 (3/1)	269.81 (4/5/79)	61.41 (13/12/74)
22	Breweries (14)	284.53	−1.1	15.54	6.39	7.59	287.76	287.45	285.94	292.85	270.71	293.39 (18/6)	248.93 (3/1)	306.13 (4/5/79)	69.47 (13/12/74)
23	Wines and Spirits (5)	298.20	+0.9	18.27	6.26	6.74	295.62	294.82	301.13	305.79	300.71	322.79 (21/1)	278.92 (2/6)	352.29 (29/3/79)	78.88 (13/12/74)
24	Entertainment, Catering (17)	332.51	−0.7	17.37	6.73	7.14	334.76	332.47	332.40	339.75	313.61	340.01 (20/6)	268.87 (3/1)	374.32 (3/5/79)	54.83 (9/1/75)
25	Food Manufacturers (21)	204.55	−0.7	19.63	7.31	6.00	205.90	205.52	205.07	206.31	215.70	208.78 (14/2)	183.95 (28/3)	236.75 (4/5/79)	59.67 (11/12/74)
26	Food Retailing (13)	327.44	−0.7	12.90	4.84	9.25	329.79	327.81	327.84	332.83	292.27	335.55 (20/6)	286.28 (3/1)	335.55 (20/6/80)	54.25 (11/12/74)
32	Newspapers, Publishing (13)	441.75	+0.5	21.61	6.62	6.25	439.43	433.77	431.03	437.12	426.30	455.30 (14/2)	378.52 (3/1)	492.56 (8/5/79)	55.08 (6/1/75)
33	Packaging and Paper (15)	130.25	−0.8	27.53	9.57	4.21	131.36	132.38	131.13	133.06	128.47	135.09 (18/6)	111.30 (3/1)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (42)	220.52	−1.1	13.93	5.59	9.25	222.98	224.89	222.88	227.60	235.57	229.86 (18/6)	188.71 (3/1)	273.48 (4/5/79)	52.63 (6/1/75)
35	Textiles (24)	130.50	+0.5	24.90	11.91	4.90	129.81	128.40	127.16	131.09	161.00	134.65 (19/2)	116.89 (6/6)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	214.83	−1.8	28.39	10.78	3.99	218.78	220.76	221.75	229.36	241.00	230.17 (20/6)	192.86 (3/1)	339.16 (2/8/72)	94.34 (13/6/62)
37	Toys and Games (5)	27.54	—	44.15	13.84	2.63	27.54	28.08	28.08	28.22	72.51	47.59 (1/1)	25.08 (16/6)	135.72 (16/1/70)	20.92 (6/1/75)
41	OTHER GROUPS (99)	216.72	−0.1	17.14	7.10	6.92	216.98	216.89	214.61	217.06	202.04	217.85 (18/6)	184.19 (3/1)	234.76 (8/5/79)	58.63 (6/1/75)
42	Chemicals (16)	316.45	+0.2	19.61	7.61	5.85	315.94	317.09	312.64	315.82	282.24	317.88 (13/2)	276.80 (3/1)	329.77 (4/5/79)	71.20 (1/12/74)
43	Pharmaceutical Products (7)	216.79	−0.2	11.78	6.37	10.46	217.22	216.93	213.68	215.49	219.92	221.00 (13/2)	175.38 (28/5)	291.13 (14/9/78)	175.38 (28/5/80)
44	Office Equipment (6)	108.23	−1.6	20.12	7.67	5.68	109.97	109.84	108.46	110.05	119.20	123.10 (14/2)	98.57 (2/6)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping (10)	546.81	+0.5	13.41	6.46	9.02	543.91	541.52	540.67	544.07	455.46	546.81 (27/6)	411.53 (10/1)	546.81 (27/6/80)	90.80 (29/6/62)
46	Miscellaneous (60)	260.77	−0.2	17.47	6.97	7.00	261.41	260.62	258.95	262.67	241.31	262.70 (18/6)	211.86 (3/1)	273.91 (8/5/79)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (492)	238.22	−0.6	17.59	6.79	6.87	239.66	238.85	237.46	240.61	235.32	241.02 (20/6)	203.76 (3/1)	273.01 (4/5/79)	59.01 (13/12/74)
51	Oils (8)	820.98	−0.5	28.10	6.27	3.93	825.39	832.91	805.51	810.22	692.10	840.16 (5/3)	668.86 (8/1)	840.16 (5/3/80)	87.23 (29/5/62)
59	500 SHARE INDEX	284.16	−0.6	19.87	6.68	5.91	285.85	285.66	282.30	285.59	271.92	286.66 (18/6)	241.13 (3/1)	308.20 (4/5/79)	63.49 (13/12/74)
61	FINANCIAL GROUP (118)	216.60	−0.2	—	5.80	—	217.06	218.41	217.44	219.90	187.35	219.90 (23/6)	175.85 (3/1)	241.41 (11/4/72)	55.88 (13/12/74)
62	Banks (6)	235.26	+0.6	41.57	6.91	2.95	233.89	235.97	236.35	239.53	227.11	243.90 (18/6)	201.01 (8/4)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	263.70	−0.7	—	6.70	—	265.68	264.05	265.07	266.48	260.09	266.48 (23/6)	206.50 (18/3)	293.13 (2/5/72)	81.40 (10/12/74)
64	Hire Purchase (5)	212.61	−1.1	14.70	4.71	8.84	214.94	215.59	213.26	216.69	158.43	217.74 (17/6)	160.72 (3/1)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (10)	203.65	−0.6	—	6.25	—	204.97	205.79	203.38	206.61	151.56	206.61 (23/6)	151.80 (3/1)	206.61 (23/6/80)	44.88 (2/1/75)
66	Insurance (Composite) (9)	142.10	—	—	7.57	—	142.04	144.69	143.82	145.56	122.60	145.56 (23/6)	117.05 (3/1)	161.72 (6/10/77)	43.96 (13/12/74)
67	Insurance Brokers (9)	315.86	+0.8	14.70	7.25	9.34	313.40	311.10	313.21	319.40	262.08	319.40 (23/6)	256.48 (3/1)	372.27 (11/8/78)	65.86 (16/12/74)
68	Merchant Banks (13)	128.06	−0.1	—	5.21	—	128.20	129.29	126.93	128.61	96.17	129.29 (25/6)	87.47 (3/1)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (45)	401.61	−1.1	3.40	2.88	41.69	406.13	405.83	403.37	405.86	342.22	410.09 (18/6)	304.20 (3/1)	410.09 (18/6/80)	56.01 (20/4/65)
70	Miscellaneous (11)	135.56	−0.1	16.21	6.44	7.84	135.64	135.70	135.55	136.18	118.60	137.13 (14/2)	119.62 (3/1)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	242.47	+0.3	—	5.72	—	241.75	239.60	239.49	241.03	209.42	242.47 (27/6)	188.97 (3/1)	248.31 (26/4/79)	71.63 (13/12/74)
81	Mining Finance (4)	227.03	+0.4	11.89	4.35	10.14	226.21	224.35	220.26	222.15	119.62	230.07 (13/2)	161.95 (1/1)	230.07 (13/2/80)	66.31 (30/9/74)
91	Overseas Traders (19)	385.61	−0.6	13.20	7.03	9.31	387.98	387.87	387.15	388.17	350.57	437.34 (13/2)	330.03 (3/1)	437.34 (13/2/80)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	269.35	−0.4	—	6.40	—	270.54	270.50	267.86	270.81	247.88	271.14 (20/6)	225.06 (3/1)	283.82 (4/5/79)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

	British Government	Fri., June 27	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	105.67	−0.07	—	4.99
2	5-15 years	110.69	−0.15	—	6.77
3	Over 15 years	114.22	−0.21	—	7.39
4	Irredeemables	130.18	−0.30	—	7.24
5	All stocks	109.83	−0.15	—	6.30

FIXED INTEREST YIELDS British Govt. Av. Gross Red.

			Fri., June 27	Thurs., June 26	Year ago (approx.)	1980 Highs	1980 Lows
1	Low Coupons	5 years	11.89	11.85	10.55	13.32 (4/3)	11.62 (20/6)
2		15 years	11.89	11.85	11.05	13.12 (4/3)	11.62 (20/6)
3		25 years	11.89	11.85	11.55	13.12 (4/3)	11.62 (20/6)
4	Medium Coupons	5 years	13.32	13.23	12.31	15.37 (4/3)	12.99 (20/6)
5		15 years	13.39	13.35	12.57	14.71 (4/3)	13.10 (18/6)
6		25 years	13.38	13.34	12.57	14.50 (4/3)	13.08 (18/6)
7	High Coupons	5 years	13.41	13.34	12.54	15.44 (4/3)	13.12 (20/6)
8		15 years	13.74	13.68	12.92	15.06 (4/3)	13.45 (18/6)
9		25 years	13.79	13.73	12.89	14.92 (4/3)	13.45 (21/1)
10	Irredeemables		11.24	11.19	11.32	12.53 (21/3)	10.88 (21/1)

		Fri., June 27 Index No.	Fri., June 27 Yield %	Thur. June 26	Wed. June 25	Tues. June 24	Mon. June 23	Fri. June 20	Thur. June 19	Wed. June 18	Year ago app'x	1980 Highs	1980 Lows	Since Compilation Highs	Since Compilation Lows
15	20-yr. Red. Deb. & Loans (15)	53.00	†13.98	53.01	52.74	52.75	52.76	52.71	52.67	52.58	57.10	53.01 (26/6)	49.12 (7/1)	113.43 (23/10/65)	37.08 (6/1/75)
16	Investment Trust Prefs. (15)	49.46	15.89	49.46	49.06	48.42	48.42	48.42	48.42	48.42	49.86	49.46 (26/6)	46.34 (2/1)	114.41 (18/9/63)	34.45 (4/12/74)
17	Coml. and Indl. Prefs. (20)	64.68	16.92	64.58	64.70	64.59	64.41	63.78	63.78	63.58	68.87	64.70 (25/6)	60.92 (27/3)	114.96 (7/10/63)	47.67 (6/1/75)

Equity Section or Group	Base Date	Base Value	Equity Section or Group	Base Date	Base Value
Pharmaceutical Products	30/12/77	261.77	Industrial Group	31/12/70	128.20
Other Groups	31/12/74	63.75	Miscellaneous Financial	31/12/70	128.06
Overseas Traders	31/12/74	100.00	Food Manufacturing	29/12/67	114.13
Engineering Contractors	31/12/71	153.84	Food Retailing	29/12/67	114.13
Mechanical Engineering	31/12/71	153.84	Insurance Brokers	29/12/67	96.67
Wines and Spirits	16/1/70	144.76	Mining Finance	29/12/67	100.00
Toys and Games	16/1/70	135.72	All Other	10/4/62	100.00
Office Equipment	16/1/70	128.20	British Government	31/12/75	100.00

† Redemption yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 25p. A fortnightly record of group and subsection indices, dividend yields and earnings figures since 1962, with quarterly highs and lows of the indices, is obtainable from the Book Sales Department, FT Business Publishing Limited, Minster House, Arthur Street, London, EC4R 9AX, at £50 per copy.

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p‡	+ or —	Div. P. or Amount	Times Covered	Gross Yield	P.E. Ratio
‖	F.P.	—	£14¾	£14¼	Bellerinv'stBSWKR50	£14¼	−¼	Q17%	3.0	6.3	5.2
56	F.P.	20/6	90	74	Home Farm Prods10p	88	......	b2.9	2.5	4.7	12.1
—	F.P.	—	9	3	††Jenkin & Purser	9	......	—	—	—	—
§83	F.P.	27/6	91	79	Oakwood Group	81	......	b5.5	2.4	11.5	5.6
100	F.P.	27/6	110	93	Peerless	93	......	b6.3	2.8	9.7	4.2

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price £	+ or —
‖	F.P.	5/6	148	111	Automated Sec. 8% Cnv. Uns. Ln. '95	145	......
100	F.P.	—	99½	99	Can. Imp. Bk. of Commerce 11% Deb. 1985	99½	......
‖	Nil	—	5ppm	8pm	Challenge Corp. 16pc Pref. NZ $2.20	8ppm	......
[illegible]	F.P.	22/8	101	95	Cowie (T.) 10½% Conv. Red. Cum. Pref.	96	+1
100	F.P.	—	100¼	100	Daiei 8½% Conv. Bds. due 1995	100	−¼
[illegible]	F.P.	4/9	102½	101⅞	Folkstone & District Water 10pcPref '85	102¼	......
[illegible]	F.P.	—	67	63½	London & Midlandinds 8½ pc Deb. '89-94	67	......
[illegible]	F.P.	30/6	102	99½	Mid Southern 10% Red Prf. 1985	101	......
[illegible]	F.P.	19/6	117	107½	NSS Newsag'ts 10% Cnv. Uns. Ln. 1990-2000	116	−1½
[illegible]	F.P.	27/6	107	101	North Brit. Props. 9½% Cov. Uns. Ln. 1898	107	......
[illegible]	F.P.	4/9	102⅝	101⅞	North Surrey Water 10pc Pref. 1985	102½	......
[illegible]	£10	—	11¾	11½	South Staff. Water 9½% Rd. Pf. '85	11⅝	......

"RIGHTS" OFFERS

Issue Price p‡	Am'unt Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1980 High	1980 Low	Stock	Closing Price p‡	+ or —
103	Nil	—	—	20pm	20pm	Astbury & Madeley	18½pm	......
115	Nil	4/7	1/8	24pm	17pm	Brown & Jackson	19pm	−1
100	Nil	3/7	7/8	43pm	34pm	Carless Capel	43pm	+1
66	Nil	29/5	4/7	100	80	Clifford's Dairies 'A'	98	−1
200	F.P.	—	—	778	573	Clyde Petroleum	615	+15
18	Nil	30/5	20/6	19½	17½	East Rand Cons.	18½	......
54	F.P.	11/6	23/7	65	61	Elcco	63	......
620	Nil	—	—	62½pm	25pm	Harrison & Crosfield	25pm	−15
40	Nil	30/6	18/7	47	41½	Hawley Leisure	42½	+½
263	Nil	—	—	70pm	44pm	Land Securities	60pm	−4
118	F.P.	3/6	18/7	151	124	Linfood	150	......
126	Nil	—	6/8	147pm	127pm	Lloyds & Scottish	147pm	......
60cts	Nil	—	—	455pm	180pm	Pancontinental	330pm	......
98	F.P.	20/6	18/7	150	128	Silvermines	147	......

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security. ‡‡ Issued as units comprising 2 participating pref. shares and 1 ord. share at R3.50 per unit. † Dealings under special rule.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

King & Shaxson Mngrs.
1, Charing Cross, St. Helier, Jersey. (0534) 73741

Schlesinger International Mngt. Ltd.
41, La Motte St., St. Helier, Jersey. 0534 73588

هكذا من الأصل

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Amer. Gth. Tst.	48.8	52.5	−0.5	1.90
Abbey Capital	38.5	41.6	−0.2	4.05
Abbey General	50.1	53.6	−0.3	5.81
Abbey Gilt & F.I. Tst.	108.2	113.9	−0.1	9.42
Abbey Income	45.7	49.4xd	−0.3	8.17
Abbey Inv. Bd. Tst.	94.6	100.3xd	−0.3	5.49
Abbey Inv. Tst. Fnd.	41.0	44.3	.....	5.77
Equitas Prog. Trust	73.6	79.6	−0.4	5.63

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314

AHR Gilt & Pref.	88.6	94.5	.....	11.95

Allied Hambro Ltd. (a) (b)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied Tst.	81.0	86.7	−0.3	6.11
Brit. Inds. Fund	71.3	76.4xd	−0.3	6.81
Growth & Income	44.9	48.0	−0.2	5.79
Elect. & Ind. Dev.	39.5	42.3	−0.3	5.79
Allied Capital	82.8	88.6	−0.2	5.25
Hambro Fund	122.0	130.5	−0.4	6.65
Hambro Acc. Fund	153.7	164.5	−1.1	5.74
Income Funds				
High Yield Fd.	66.2	70.8	−0.2	10.24
High Income	72.4	77.5	−0.3	7.87
A. H. Eq. Inc.	42.7	45.7	−0.1	7.94
Govt. Secs.	25.2	25.9	.....	8.69
International Funds				
International	29.6	31.7	−0.1	3.41
Pacific Fund	50.4	53.9	−0.2	2.28
Secs. Of America	59.1	63.2xd	−0.4	2.85
Specialist Funds				
Smaller Co.'s Fd.	50.1	53.6	+0.1	4.76

Emson & Dudley Tst. Mngmt. Ltd.
20, Albemarle St., W1. 01-499 7551

Emson Dudley Tst.	74.1	79.7	.....	6.00

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	78.8	82.9	−0.6	5.15

Fidelity International Management Ltd.
62-63, Queen St., London, EC4R 1AD. 01-248 4891

American	23.9	25.7	−0.2	1.00
Fixed Interest	24.9	26.7	.....	12.82
Growth + Income	30.0	32.3xd	−0.2	7.73
Special Sits.	30.3	32.6	−0.2	2.94

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	29.5	31.7	.....	2.18
Accum. Units	36.3	39.0	.....	2.18
J. Finlay High Income	33.5	36.0	.....	10.03
J. Finlay Euro. Fin.	21.4	23.0	.....	4.00
Accum. Units	26.7	28.7	.....	4.00
J. Finlay Fd. In. Tst.	34.8	37.4	.....	5.42
Accum. Units	42.9	46.2	.....	5.42

Prices on June 25. Next dealing July 2.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

American June 16	51.8	55.4	.....	1.19
Am. T'around June 23	50.0	53.4xd	.....	2.29
Capital Tst.	54.2	57.8	.....	4.52
(Accum. Units)	54.8	58.6	−0.2	5.55
Extra Income Trust	49.2	52.6	−0.2	10.68
Income Tst.	37.2	39.6xd	−0.2	8.52
Int. Growth Fd.	45.0	48.0	−0.2	2.36
(Accum. Units)	48.8	51.2	.....	2.35

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Units	53.5	57.2	.....	4.70
Do. Accum.	75.5	80.7	.....	4.70

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital June 19	125.9	127.6	.....	5.23
Gross Inc. June 19	75.6	78.1xd	.....	11.65
High Yield June 19	91.3	93.3	.....	10.14

*Unauth. Restricted to monies under Court control.

ManuLife Management Ltd.
St. George's Way, Stevenage. 0438 56101

Growth Units	72.8	76.6	+0.3	4.63

Mayflower Management Co. Ltd.
14-18, Gresham St., EC2V 7AU. 01-606 8099

Income June 23	108.4	114.1	.....	9.07
General June 23	73.2	77.0	.....	6.29
Intnl. June 23	47.8	50.3	.....	3.37

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2EB. 01-600 4555

Mrc. Gen. June 25	56.3	59.2	.....	5.81
Acc. Uts. June 25	78.5	83.5	.....	5.81
Mer. Int. June 25	76.7	81.6xd	.....	3.76
Acc. Uts. June 25	87.8	93.4	.....	3.76
Merc. Ext. June 26	70.0	72.9	+4.6	5.86
Accm. Units June 26	89.9	93.6	+5.8	5.86

Midland Bank Group Unit Trust Managers Ltd.♥ (a)
Courtwood House, Silver Street, Head. Sheffield, S1 3RD. Tel: 0742 79842

Commodity & Gen.	99.6	108.8	+0.3	3.96
Acc. Uts. June 27	123.9	135.3	+0.3	3.96
Overseas Growth	36.9	39.9xd	.....	2.45
Do. Accum.	41.6	45.0	−0.1	2.45
Capital	30.6	33.1	−0.1	4.71
Do. Accum.	35.3	38.2	.....	4.71
Income	56.4	61.0	−0.2	7.34
Do. Accum.	71.4	77.2	−0.3	7.34
North American	36.3	39.3xd	−0.4	3.30
Do. Accum.	40.2	43.5	−0.4	3.30
High Yield	57.4	62.1	−0.4	9.95
Do. Accum.	69.2	74.9	−0.4	9.95
Equity Exempt*	125.6	132.5	.....	5.51
Do. Accum.*	130.5	138.8	.....	5.51
Japan & Pacific	39.7	42.9	−0.1	1.59
Do. Accum.	40.2	43.5	−0.1	1.50

*Prices at June 27. Next dealing July 4.

Minster Fund Managers Ltd.
Minster Hse., Arthur St., EC4R 9BH 01-623 1050

Minster June 16	39.8	41.8	.....	7.00
Exempt May 30	92.7	96.7	.....	6.95

Stewart Unit Tst. Managers Ltd.(a)
45, Charlotte Sq., Edinburgh. 031-226 3271

†Stewart American Fund				
Standard Units	64.6	68.8	.....	1.98
Accum. Units	71.0	75.7	.....	—
Withdrawal Units	45.4	48.5	.....	—
*Stewart British Capital Fund				
Standard	161.3	171.5	.....	6.75
Accum. Units	186.4	198.3	.....	6.75

Dealing †Tues. & Fri. *Wed.

Sun Alliance Fund Mngt. Ltd.
Sun Alliance Hse., Horsham. 0403 64141

Exp. Eq. June 11	£279.20	293.90	.....	5.53
♥The Family Fd.	123.4	131.2	−0.5	5.08

Target Tst. Mngrs. Ltd.♥(a)(g)
31, Gresham St., E.C.2. Dealings: 0296 5941
19, Athol Crescent, Edin. 3. 031-229 8621/2

Commodity	62.2	67.3	+0.2	2.56
Energy	46.1	52.1	.....	2.96
Financial	84.7	92.0	−0.1	4.36
Gilt Accum.	128.7	135.0	−0.3	3.50
Investment Trust	37.2	40.2	+0.2	4.38
Special Situations	24.2	26.2	−0.2	4.45
American Eagle	30.0	32.4xd	−0.1	1.35
Pacific Income	28.2	30.5	−0.1	2.15
Pacific Accum.	32.2	34.8	−0.1	2.18
Income	25.6	27.7	.....	10.75
Extra Income	54.3	58.7	.....	11.77
Preference Share	11.9	13.1	.....	13.39
Equity	45.6	49.3xd	−0.4	6.72
Income and Growth	42.9	48.5	.....	6.45
Growth	35.9	38.8	.....	4.44
Pr'fss'n'l June 25	201.5	216.7	.....	4.99
Eqty. Ex. Inc.	251.6	270.5xd	.....	6.01
Equity Ex. Accum.	375.1	403.3	.....	6.81

Tower Unit Trust Mngt. Ltd.
39/45 Finsbury Square, EC2A 1PX 01-628 2294

Income & Growth	21.0	22.1	.....	9.43
Special Situations	28.5	29.9xd	+0.2	2.65

Trades Union Unit Tst. Managers♥
100, Wood Street, E.C.2. 01-628 8011

TUUT June 2	52.6	56.0	.....	6.32

City of Westminster Assurance
Ringstead House, 6, Whitehorse Road, Croydon CR0 2JA. 01-684 9664

		Series (2)		(1) Bid
West Prop. Fund	86.6	91.2	.....	82.4
Managed Fund	203.9	214.7	.....	199.9
Equity Fund	62.2	65.5	−0.2	61.0
Farmland Fund	92.2	97.1	.....	88.2
Money Fund	143.0	150.0	.....	143.1
Gilt Fund	79.6	83.8	−0.2	79.7
Black Gold Fd.	114.5	120.5	+1.1	114.5
FULA Fund	209.6	213.7	.....	209.6
Sec. Prop. Units	73.7	77.3	.....	73.7
Pens. Mngd. Cap.		141.8	.....	146.9
Pens. Mngd. Acc.		160.3	.....	160.3
Pens. Money Cap.		52.8	.....	55.9
Pens. Money Acc.		60.9	.....	60.9
Pens. Equity Cap.		51.7	−0.2	52.7
Pens. Equity Acc.		58.5	−0.2	57.5
Pens. Gilt Short Cap.		49.1	−0.1	50.8
Pens. Gilt Short Acc.		55.5	−0.2	55.5
Pens. Gilt Med. Cap.		50.4	−0.2	52.3
Pens. Gilt Med. Acc.		57.0	−0.2	57.0
Pens. Gilt Long Cap.		49.1	−0.1	50.9
Pens. Gilt Long Acc.		55.5	−0.1	55.5
NFSE Cap.		104.9	.....	—
NFSE Acc.		118.5	.....	—
First Unit Fund	165.9	174.1	.....	165.9
Fund currently closed to new investment.				
Perform Units		249.2	.....	—

Series (2) Prices are for policies issued after 1.1.1980. Series (1) These are bid prices for earlier policies.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500

Vr. An. Ac. June 28	75.26	−0.11	—
Do. Annuity Uts.	24.53	.....	—

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE. 01-242 0282

♥Equity Fund	217.3	228.7	.....	—
♥Managed Fund	227.4	239.3	.....	—
♥PIP Fund		493.7	.....	—
Persl. Pen. Mngd.	95.6	100.6	.....	—
Staffguard Man. Pen.	95.6	100.6	.....	—
Group Mngd. Pen.	240.0	254.5	.....	—
Fixed Int. Pen.	246.3	247.5	.....	—
Equity Pension	337.4	346.0	.....	—
Property Pension	256.1	272.1	.....	—

Legal & General Prop. Fd. Mgrs. Ltd.
11, Queen Victoria St., EC4N 4TP. 01-248 9678

L&G June 2	108.1	112.9	.....	—

Next sub. day July 1.

Life Assur. Co. of Pennsylvania
8, New Rd., Chatham, Kent. Medway 812348

LACOP Units	10.36	10.77	.....	—

Lloyd's Life Assurance
20, Clifton St., EC2 4HX 01-247 7699

Multy Gwth June 6		1.55932	.....	—
Op. 8 'A' June 26	186.1	195.9	.....	—
Op.8'A'Equity June 26	8'A'Eqty	171.7	.....	—
Op. 8 'A' Hy. June 25	168.3	177.2	.....	—
Op. 8 'A' Man. June 25	182.6	192.3	.....	—
Op.8'A'Dep.Fd.June 25	141.0	148.5	.....	—
Op.8'A'In.Dis.June 26	100.1	105.4	.....	—
Op.8'A'In.B June 26	98.6	104.0	.....	—
Op.8'A'In.M June 26	96.7	101.8	.....	—
Pens.Pr.Ac. June 16	167.9	176.8	.....	—
Pens.Pr.Cap. June 16	144.2	151.8	.....	—
Pens.Eq.Ac. June 16	396.8	417.7	.....	—
Pens.Eq.Cap. June 16	340.8	358.8	.....	—
Pens.Fxd.Ac. June 16	220.0	231.6	.....	—
Pens.Fxd.Cap. June 16	189.0	199.0	.....	—
Pens.Mg.Ac. June 16	276.4	291.0	.....	—
Pens.Mg.Cap. June 16	237.4	249.9	.....	—
Pens.Dp.Ac. June 16	181.7	191.3	.....	—
Pens.Dep.Cap.June 16	156.0	164.3	.....	—

London A'deen & N'thn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	49.0	51.5	.....	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511

Money Manager	40.7	43.6	+0.5	—
M.M. Flexible	36.8	38.8	+0.4	—
Fixed Interest	38.7	40.9	−0.1	—

London Life Linked Assur. Ltd.
81 King William St., EC4N 7BD. 01-626 0511

Equity	110.0	113.3	.....	—
Fixed Interest	100.9	101.4	.....	—
Property	109.0	111.7	.....	—
Deposit	112.2	112.2	.....	—

Schroder Life Group♥
Enterprise House, Portsmouth. 0705 27733

Equity	275.2	289.8	+1.3	—
Fixed Int.	159.0	167.4	.....	—
Managed	162.3	171.0	+0.5	—
Money	123.8	130.4	+0.1	—
Overseas	82.4	86.8	+1.3	—
Property	200.1	210.8	+0.1	—
CCM Vanguard	105.6	111.2	.....	—
K & S Govt. Secs.	136.2	143.5	−0.1	—
Income Distrib.	93.5	98.5xd	.....	—
Income Accum.	98.7	104.0	.....	—
B.S. Pen. Cap.	145.5	152.9	.....	—
B.S. Pen. Acc.	168.6	177.1	.....	—
Equity Pension Cap.	118.1	124.4	.....	—
Equity Pension Acc.	126.8	133.5	.....	—
Mngd. Pen. Cap.	260.6	274.4	.....	—
Mgd. Pen. Acc.	330.8	348.3	.....	—
F. Int. Pen. Cap.	110.1	116.0	.....	—
F. Int. Pen. Acc.	118.3	124.7	.....	—
Money Pen. Cap.	114.2	120.3	.....	—
Money Pen. Acc.	122.6	129.1	.....	—
Prop. Pen. Cap.	145.9	153.6	.....	—
Prop. Pen. Acc.	156.3	164.6	.....	—

Prices are for Life Series 4, June 27. *Pensions Series B June 24. Other prices on request.*

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU 031-655 6000

Inv. Ply. June 20	131.0	131.0	.....	—
Inv. Ply. Sr. II June 20	123.0	129.5	.....	—
Inv. Cash June 20	115.2	121.3	.....	—
Ex. U. Acc. June 18	167.0	174.1	.....	—
Ex. U. Inc. June 18	142.9	149.0	.....	—
Pen. Man. June 19	338.8	338.8	.....	—

Skandia Life Assurance Co. Ltd.
161-166 Fleet St., London EC4 2DY 01-353 8511

Managed Acc.	103.6	109.0	−0.3	—
Equity Acc.	101.8	107.2	−0.4	—
Gilt Plus Acc.	101.1	106.4	−0.5	—
Pens. Managed Acc.	106.5	112.1	−0.3	—
Pens. Equity Acc.	105.5	111.0	−0.2	—

For Prices of other Units and Guaranteed Basis Rates please Phone 01-353 8511

For Solar Life Assurance Ltd. see Sun Life Unit Assurance Ltd.

Standard Life Assurance Company♥

Barbican Managers (Jersey) Ltd.
P.O. Box 63, St. Helier, Jersey 0534 74806

Barb. Int. Fund	88.4	94.8xd	.....	5.00

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Overseas Income	44.2	46.8	−0.2	13.85
Unidollar Trust	US$12.98	13.64	.....	3.00
Unibond Trust	US$95.69	96.54xd	.....	10.40
1, Thomas St., Douglas, Isle o. Man.				0624 4856
Unicorn Aust. Ext.	75.3	81.0	.....	1.10
Do. Aust. Min.	70.1	75.4xd	.....	1.10
Do. Grtr. Pacific	92.2	99.2	.....	—
Do. Intl. Income	33.6	36.2	.....	9.70
Do. Isle of Man Tst.	42.7	46.0	−0.1	9.70
Do. Manx Mutual	38.9	41.9	.....	1.90

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M. 0624-23911

ARMAC *June 2	US$56.68	69.75	.....	—
COUNT **June 2	£3.724	3.950	.....	1.33
CANRHO **June 2	£1.442	1.530	.....	—

Originally issued at *$10 and **£1. Next val. July 7.

Bishopsgate Progressive—Ldn. Agents
9, Bishopsgate, EC2N 3AD 01-588 6280

BNAUT Inc. June 25	US$3.64	3.87	+0.10	0.19
BNASF June 12	111.0	119.78	.....	1.70

Bridge Management Ltd.
GPO Box 590, Hong Kong

N'bishi May 31		Y16388	.....	—
Nippon Fund June 25	17.26	18.04	.....	1.50

Britannia Tst. Mngmt. (C.I.) Ltd.
30 Bath St., St. Helier, Jersey. 0534 73114

U.S. Dollar Denominated Fds.				
Universal $ Trust	98.4	105.8	+4.4	—
World Bond Fund	94.5	98.0xd	.....	10.60
Sterling Denominated Fds.				
Growth Invest	41.3	44.4	−0.2	4.10
Far East & Int. Fd.	106.4	114.4	+1.9	1.00
Jersey Energy Tst.	249.7	268.5	+9.7	1.50
Amer. Smlr. Cos. Fd.	32.3	34.7	+1.2	—
High Int. Stlg. Tst.	86.0	89.0xd	−1.0	13.50

Value at June 27. Next dealing June 30.

Capital Deposit Tst.	£11.12	11.13	.....	0.25

Est. capital return on request. Next dealing July 1.

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

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[illegible]

INSURANCE

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INSURANCE—Continued

[illegible]

LEISURE

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MOTORS, AIRCRAFT TRADES

Motors and Cycles

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Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

FINANCE, LAND—Continued

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
234	190	Pearson (S) & Son	230	+2	10.0	3.6	6.2	5.9
120	65	Rosehaugh 10p	120	......	—	—	—	—
151	95	Scot. & Merc. 'A'	147	......	4.75	1.1	4.6	27.0
[illegible]	[illegible]	[illegible]	[illegible]		—	—	—	—
£57	£52	[illegible]	[illegible]	[illegible]	[illegible]	—	7.9	—
37	22	Smith Bros.	34	[illegible]	[illegible]	[illegible]	[illegible]	29.8
£31	£25½	Suez Fin. [illegible]	[illegible]	......	[illegible]	[illegible]	11.3	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	......	[illegible]	[illegible]	5.4	[illegible]
29	20	[illegible]	26	+3	[illegible]	1.1	12.0	11.2
11	9½	[illegible]	10	......	0.44	3.5	6.2	7.2
150	97	Yule Catto 10p	113	......	2.8	3.1	2.6	16.6

OIL AND GAS

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
480	153	††Aran Energy £1	470	−2	—	—	—	—
324	164	Attock 20p	304	+8	—	—	—	—
775	405	Basic Res. Int. S.A.	610	+85	—	—	—	—
256	83	††Berkeley Expln.	256	+16	—	—	—	—
344	278	Brit. Borneo 10p	300	+2	s9.5	2.5	4.5	13.2
412	320	Brit. Petroleum	374	−6	17.5	4.7	6.7	3.5
60	56¾	Do. 8% Pf. £1	58½xd	......	5.6%	[illegible]	13.7	—
249	162	Burmah £1	231	+5	6.5	3.8	4.0	(8.5)
£56¾	£55½	Do. 8½ Ln. 91/96	£56	−¼	Q8½%	15.7	el4.7	—
332	210	††CCP North Sea	272	+6	—	—	—	—
318	165	††[illegible] Pet. 20p	250	......	♦	—	—	—
222	76	††Candecca Res.	222	+12	—	—	—	—
†151	68	Carless Capel 10p	144	+5	H2.5	4.1	2.5	13.7
120	115	Century 10p	158	......	4.5	ϕ	3.9	ϕ
25	57	Charterhall 5p	89	+5	—	—	—	—
£30½	£24¼	Cie Fr. Petroles B.	£26¾	......	Q15fr	2.2	6.0	7.6
470	210	††Cluff Oil £1	350	......	—	—	—	—
455	295	††Do. Cnv. A	340	......	—	—	—	—

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

Australian

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	21	Acmex 50c	23	......	—	—	—
24	12	ACM 20c	18	......	—	—	—
100	52½	Bond Corp.	95	......	t:Q2.8c	2.2	1.5
156	88	Bougainville Kina	126	+4	t:Q26.2c	1.0	11.5
265	195	BH South 50c	200	......	♦	—	—
25	11½	Canada Northwest	22½	......	—	—	—
42	8	Carr Boyd 20c	32	......	—	—	—
£33½	£15¾	Central Pacific	£32½	−½	—	—	—
356	230	Conzinc Riotinto 50c	280	......	Q15c	2.1	2.8
39	17	Cultus Pacific N.L.	32	−1	—	—	—
52	20	Eagle Corp. 10c	52	+8	—	—	—
27	15¾	Endeavour 20c	26½	−½	—	—	—
434	175	G. M. Kalgoorlie 25c	434	+42	†Q3c	—	0.4
46	15	Great Eastern	21	......	—	—	—
395	260	Hampton Areas 5p	355	+5	3.5	2.8	1.4
118	30	Haoma Gold N.L.	114	−4	—	—	—
720	80	Leichardt Expln.	245	+15	—	—	—
72	41	Metals Ex. 50c	60	......	—	—	—
312	187	M.I.M. Hldgs. 50c	230	......	††Q16.1c	1.8	3.6
20	7	Minefields Expl. 25c	18	......	—	—	—
155	60	Mount Lyell 25c	80	......	—	—	—
28	15	Newmetal 20c	20	+3	—	—	—
35	12	Nickelore N.L.	22	......	—	—	—
207	137	North B. Hill 50c	174	−4	†Q12c	1.4	3.6
93	44½	Nth. Kalgurli	95	+5	—	—	—
165	90	Nth. Mining Corp.	130	......	—	—	—
108	24	N. West Mining N.L.	103	−3	—	—	—
235	144	Oakbridge $A1	223	......	Q12c	4.7	2.8
140	70	Otter N. L.	140	+7	—	—	—
230	128	Pacific Copper	220	+10	—	—	—
465	255	Pancont'l 25c	340	......	—	—	—
78	42	Paringa M&Ex. 5p	59	−1	—	—	—
495	335	Peko-Wallsend 50c	405	−5	t:Q17.5c	ϕ	2.2
230	140	Seltrust A	192	+2	—	—	—
£12⅛	575	Southern Pacific	£11¾	−⅜	—	—	—
95	31	Swan Resources 20c	95	+3	—	—	—
13	8	West Coast 25c	8	......	—	—	—
268	177	Westn. Mining 50c	268	+3	†Q7c	1.6	1.4
30	10	Westmex	19	+1	—	—	—
108	56	Whim Creek 20c	100	......	—	—	—
31	10½	York Resources	31	......	—	—	—

Tins

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	14	Amal Nigeria 1p	15	......	j6.0	—	—
345	255	Ayer Hitam $M1	315	......	#Q290c	0.9	‡
67	42	Beralt Tin	60	+4	4.5	3.2	11.7
225	149½	Berjuntai $M1	215	......	#Q95c	1.8	‡
250	153	Geevor	170xd	......	8.4	ϕ	7.1
11	10	Gold & Base 12½p	10½	......	—	—	—
440	310	Gopeng Cons.	440	......	†25.0	1.8	8.1
330	280	Hongkong	320	......	‡35.87	ϕ	‡
105	90	Idris 10p	94	......	14.0	1.2	21.3
15	12½	Jantar 12½p	13	......	1.5	ϕ	16.5
87	64	Kamunting $M0.50	65	......	Q67½c	1.1	12.5
250	150	Killinghall $M1	250	......	t:Q50c	ϕ	4.1
880	485	Malay Dredging $M1	755	......	[illegible]	2.6	2.8
33	25	Pahang	31	......	0.44	0.5	2.0
103	90	Pengkalen 10p	92	......	6.0	1.3	9.3
305	230	Petaling $M1	305	......	†Q150c	1.4	10.3
70	57	Saint Piran	65#	......	‡2.5	6.4	‡
44	26	South Crofty 10p	25	......	‡3.0	2.6	‡
350	180	South Kinta $M0.50	310	......	♦Q150c	1.0	10.3
525	340	Sthn Malayan $M1	510	......	♦Q175c	2.1	7.1
305	215	Sungei Besi $M1	285	......	†Q520c	1.0	37.2
39	22½	Supreme Corp. $M1	38	......	t:Q8c	—	4.3
100	90	Tanjong 15p	94	+2	24.5	ϕ	6.8
95	78	Tongkah H. Tin	78	......	Q45c	1.3	13.0
330	220	Tronoh $M1	320	......	Q250c	0.7	15.9

Copper

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
235	130	Messina R0.50	160	+5	m010c	ϕ	3.2

Miscellaneous

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
180	78½	Anglo-Dominion	140	−5	—	—	—
97	56	Barymin	52	+1	—	—	—
17	12	Burma Mines 10p	15	......	0.62	1.1	6.0
502	320	Cons. Murch. 10c	320	......	MQ103c	1.8	18.6
180	125	††Hemerdon 10c	125	......	—	—	—
585	325	Northgate C$1	355	−15	—	—	—
485	327	R.T.Z.	423	+1	15.0	3.2	5.1
33	16	Robert Mines	23	......	—	—	—
58	26	Sabina Inds. C$1	29	......	—	—	—
51	44	††SWCM 10p	50	......	—	—	—
650	411	Tara Expln. $1	450	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ₲ Not comparable.
- △ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Stock	Price	+ or −	IRISH	Price	+ or −
Albany Inv. 20p	30	......	Conv. 9% '80/82	£98½	......
Bertam	16	......	Nat. 9¾% 84/89	£75¾xd	......
Edg'wtr. Est. 50p	415	......	Fin. 13% 97/02	£96⅝	−⅛
Clover Croft	60	......	Alliance Gas	48	......
Craig & Rose £1	£10½	......	Arnott	345	......
Fife Forge	32½	......	Carroll (P.J.)	57xd	......
Finlay Pkg. 5p	10	......	Clondalkin	117	−3
Graig Ship. £1	£15	......	Concrete Prods.	75	......
Higsons Brew	75	......	Helton (Hldgs.)	32	......
Holt (Jos) 25p	253	......	Ins. Corp.	246	......
I.O.M. Stm. £1	199	......	Irish Ropes	45	......
Pearce (C. H.)	455	......	Jacob	32	......
Peel Mills	40	......	T.M.G.	90	+5
Sheff. Refrshmt	109	......	Unidare	90	......
Sindall (Wm.)	143	......			

OPTIONS

3-month Call Rates

Industrials					
A. Brew	7	I.C.I.	27	Utd. Drapery	6½
BOC Intl.	6	"Imps"	6½	Vickers	12
B.S.R.	4½	I.C.L.	14	Woolworths	5½
Babcock	8	Inveresk	4	**Property**	
Barclays Bank	34	Ladbroke	25	Brit. Land	7
Beecham	10	Legal & Gen.	15	Cap. Counties	9
Blue Circle	25	Lex Service	8	Land Secs.	24
Boots	16	Lloyds Bank	24	MEPC	17
Bowaters	15	"Lots"	3½	Peachey	13
B.A.T.	20	London Brick	6	Samuel Props.	12
Brown (J.)	6	Lucas Inds.	17	Town & City	2
Burton 'A'	18	"Mams"	14	**Oils**	
Cadburys	5½	Mrks. & Spncr	8	Brit. Petroleum	32
Courtaulds	8	Midland Bank	26	Burmah Oil	20
Debenhams	8	N.E.I.	5	Charterhall	10
Distillers	17	Nat. West. Bank	27	KCA	11
Dunlop	7½	P & O Dfd.	10	Premier	13
Eagle Star	15	Plessey	14	Shell	35
F.N.F.C.	2½	Racal Elect.	22	Tricentrol	40
Gen. Accident	21	R.H.M.	4½	Ultramar	35
Gen. Electric	30	Rank Org.	15	**Mines**	
Glaxo	18	Reed Intnl.	16	Charter Cons.	14
Grand Met.	12	Sears	5	Cons. Gold	40
G.U.S. 'A'	50	Tesco	6	Lonrho	8
Guardian	23	Thorn	23	Rio T. Zinc	35
G.K.N.	20	Trust Houses	12		
Hawker Sidd	15	Tube Invest.	25		
House of Fraser	15	Unilever	40		
		U.D.T.	5½		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES

Saturday June 28 1980

MAN OF THE WEEK

The R-R heart for Vickers

BY HAZEL DUFFY

OF THE arguments put forward for merging Vickers and Rolls-Royce Motors—and most commentators were hard put to find much enthusiasm for the merger plans this week—the elevation of David Plastow to chief executive of the new group sounds the most convincing.

Plastow was head of the motor division of Rolls-Royce when the group collapsed nine years ago—"February 4, 1971, is a day I shall never forget." He helped to create Rolls-Royce Motors which was finally floated off as an independent company two years later, and steered it towards becoming the profitable entity that it has been ever since. He thus joined that relatively rare breed in Britain of young and successful heads of manufacturing industry.

Now 48 years old, he must have been approached for at least one of the top jobs in the public sector. Fortunately for Vickers, which urgently needs new young management at the top, he decided to stay in the private sector. He wants, he says, to make the capitalist structure work.

But he describes himself as "a capitalist with socialist tendencies," and it is this socially constructive attitude, combined with considerable charm, which makes him one of the most refreshing leaders in manufacturing industry. He became firmly committed to the practice of communicating with

David Plastow
He wants to make the capitalist structure work.

his workforce long before the Bullock report pushed employers into acknowledging the values of such a policy, although he stops firmly short of Bullock-style solutions.

His enthusiasm for "walking the shop-floor" stems from the years when he was apprenticed as a machinist at Vauxhall. This unusual entry to the motor industry for a public schoolboy came about at the suggestion of a friend of the family, who was a senior manager at Vauxhall. He admits, however, that it was not all grease and swarf, as he spent the second half of his five-year apprenticeship on the truck sales side.

Plastow's experience of the motor industry is not confined to the elegant end of the world of Rolls-Royce. Between 1976 and 1978, he was president of the Society of Motor Manufacturers and Traders, when he took over the delicate task of negotiating with the Japanese about limiting their car exports to Britain. Since then, he has become even more convinced that Japanese car imports represent the greatest threat to the health of the motor industry not only in Britain but everywhere else in the world.

Rolls-Royce Motors made an attempt to extend its presence in the automotive industry with its unsuccessful bid for Fodens, the truck makers, in 1977. But it is into engineering that Plastow has now thrown the fate of Rolls-Royce with the merger plans for Vickers. It is a sector that is fraught with problems at present, as Plastow knows well enough through Rolls-Royce Motors' diesel engine activities. Over the past year, a quarter of the workforce at the company's Shrewsbury factory has had to be shed, partly because the overthrow of the Shah led to the cancellation of the Iranian tank order for which Rolls was supplying the engines.

But Vickers is, as Plastow says, a company which "has had its heart ripped out" by the nationalisation of aerospace and shipbuilding, and is in urgent need of establishing a new image divorced from the battleships and tanks of the past. He might not find the going quite as tough as Sir Michael Edwardes at BL, his counterpart in many ways in youth and achievement, but it is nevertheless going to be a huge task converting an engineering company with a past into one that has a future.

FEARS OF MORE DRASTIC IRANIAN PURGE

Khomeini warns Bani-Sadr

BY PATRICK COCKBURN IN TEHRAN

AYATOLLAH KHOMEINI, Iran's revolutionary leader, yesterday issued his most severe warning yet to Iranian President Bani-Sadr and the ruling Revolutionary Council.

They should resign, if they could not establish a truly Islamic Government responsive to the needs of the people, he said.

Criticism of the leadership, likely to erode further President Bani-Sadr's position, is the most direct since the U.S. Embassy in Tehran was taken over last November.

Other leaders could always be found, Ayatollah Khomeini said, if those of today continued to talk, rather than act.

This intervention in day-to-day politics by the Ayatollah reflects his frustration at the power struggle between the warring factions of President Bani-Sadr and the militant clergy of the Islamic Republican Party, which has paralysed government. It is probably a sign of his own improved health.

It is likely to foreshadow a further, and more drastic, purge of those deemed insufficiently Islamic in the Government.

Education at all levels is already being "cleansed" of remnants of the former regime, as part of a "cultural revolution" similar to China's in the 1960s.

Ayatollah Khomeini's earlier attack on the main opposition group, the progressive Muslims of the Mujahedin-e-Khalq Party, forced them to announce the closure of all their offices late on Thursday.

They said they were doing this "to avoid any form of confusion and unnecessary shedding of blood." They also demanded that the legality of their organisation be publicly confirmed by the Government.

In his denunciation of the Mujahein, Ayatollah Khodmeini said they merely used Islam as a mask to conceal their true aims, which were hostile to the Islamic republic.

This outright attack on the Mujahedin, very popular among the educated middle-class and young, is an indirect blow to President Bani-Sadr, who has looked to them as a source of organised support.

The Islamic Republican Party has viewed them with unconcealed hostility because of the challenge they represent to the doctrinaire theocratic state the orthodox clergy is seeking to create.

The educated middle class, many of whom are Government officials, were also a central target of Ayatollah Khomeini's speech yesterday.

He said nothing had really changed since the Shah's days. Even the imperial crest was still to be found on official notepaper—one of the "satanical" features remaining in the civil service.

Speaking to relatives of wounded revolutionary guards, and those killed in revolts against the Shah, he apologised for the fact that nothing had been done for them. This was typical of a government which was proving incapable of effective action, he said.

The tone of his speech is reminiscent of his criticism last year of the impotence of Mr. Mehdi Bazargan's Government, which resigned after the American hostages were taken

Iranians in exile, Page 2

Barclays Bank 'is most profitable in the world'

BY NICHOLAS COLCHESTER

BRITISH BANKS were the most profitable in the world last year, according to a list of the top 500 banks compiled by The Banker magazine. Barclays Bank was the most profitable, both in absolute terms with its pre-tax profits of $1.18bn, and in terms of its pre-tax return on assets.

French banks dominate the list when it comes to size. There are now four French banks among the world's 10 largest, and Credit Agricole, the French agricultural bank, has overtaken Bank of America to become the largest of all.

It has assets less contra-accounts—items such as acceptance credits which appear on both sides of a bank's balance sheet—on December 31, 1979, of $105bn. If banks are ranked by deposits, rather than total assets, there are four French banks ni the world's top five.

All the four big British Clearing banks showed exceptional pre-tax return on assets (less contra-accounts) of more than 1.7 per cent last year compared with the average figure for the 50 largest banks of about 0.7 per cent. Barclays achieved a return on assets of 1.95 per cent and its pre-tax return on shareholders' funds was also outstanding at 34 per cent.

The big state-owned French banks, BNP, Credit Lyonnais and Societe Generale, are notable for their low level of profitability. Their pre-tax profits were equivalent to 0.16, 0.27 and 0.37 per cent of total assets respectively.

The French banks are peculiar for the thinness of their capital backing. The ratio of share capital plus reserves to total assets averages about 1.5 per cent for the three big French state-owned institutions.

This compares with an average for the top 100 banks of 3.5 per cent and an average for the top four British clearers of about 6.2 per cent. The high gearing of the French banks, and their low return on assets, may explain the competitiveness of these banks in the international market.

The Banker's list shows that the capital backing of the international banks dwindled last year. The ratio of share capital plus reserves to total assets, less contra accounts, slipped from an average for the top 100 banks of 3.85 per cent at the end of 1978 to 3.5 per cent at the end of last year.

This is a significant development at a time when banks are being invited to channel funds between large balance of payments surpluses and deficits.

THE 10 LARGEST BANKS IN THE WORLD
at 31st December 1979

Position '79	'78		Assets less contra accounts ($bn)	Pre-tax earnings on assets (%)	Capital assets ratio (%)
1	2	Crédit Agricole.	104.997	—	5.74
2	1	Bank America Corp.	103.919	0.97	3.33
3	3	Citicorp	102.742	0.93	3.50
4	5	Banque Nationale de Paris	98.859	0.16	1.40
5	4	Deutsche Bank	91.188	0.72	3.23
6	6	Crédit Lyonnais	91.085	0.27	1.22
7	7	Société Générale	84.914	0.37	1.65
8	9	Dresdner Bank	70.331	0.46	2.82
9	19	Barclays Group	67.474	1.95	5.79
10	8	Dai-Ichi Kangyo Bank	66.581	—	3.78

Source The Banker

S. Pearson likely to buy Fairey next week

By Reg Vaughan

DOUBTS OVER the future ownership of Fairey Holdings appeared to have been cleared up last night as the National Enterprise Board accepted a scaled down offer of £22m from Doulton and Co., the S. Pearson and Son subsidiary.

The new offer—£2m below the price Doulton was originally prepared to pay for the engineering group—was based on Fairey's revised profit forecast for 1980 of at least £4m, against the £5.5m projection made prior to the Doulton offer at the beginning of May. This compares with £5.1m for 1979.

Completion of the deal is now expected on Monday. After the NEB had accepted Doulton's original offer, Fairey warned of a "deteriorating situation."

Although there had been several approaches by the NEB to buy Fairey, the bidding finally ended up between a Hambros backed consortium and Doulton. Hambros started the bidding with an institution-backed offer of £19.5m.

It is well-known that Fairey would have preferred being acquired by Hambros, which had committed itself to maintaining Fairey as an independent group. In the latest round of talks, there has been no contact at all between Hambros and the NEB.

Fairey interests include nuclear engineering and the manufacture of hydraulic equipment for Tornado aircraft and other military equipment.

In S. Pearson, Fairey is joining a diverse group including Pearson Longman (parent company of the Financial Times), Lazard Brothers, the merchant bank, Madame Tussaud's and substantial U.S. interests.

Of the total consideration being paid by Doulton, £4.3m will be met by a placing of 2.16m shares and the balance from cash.

Two more U.S. banks cut prime

BY DAVID LASCELLES IN NEW YORK

TWO LARGE U.S. banks—Citibank and Bankers Trust—cut their prime rate by ½ per cent to 11½ per cent yesterday, following the lead set by Morgan Guaranty on Monday.

But the failure of other banks to join the move suggested to Wall Street that the recent decline from the 20 per cent peak is petering out.

A notable absentee was Chase Manhattan, which has moved its prime aggressively this year.

Earlier this month, a cut by lenders of the stature of Citibank and Morgan would have triggered a countrywide downward move. But banks are now much more reluctant to adjust their primes, and when they do, it is by half points rather than a point or more.

Strictly, the prime should be somewhat lower than it is on the basis of historic relationships with money market rates.

But the banks are evidently concerned about the trend of interest rates, which have turned mixed after their precipitous fall of the past two months.

Short-term rates which determine the banks' cost of funds have also started edging up again and there is clearly a danger that the banks could cut their prime rates only to have to lift them again shortly afterwards.

As a result of yesterday's prime moves, there is now a split rate—11½-12 per cent. The stock market, which had been hoping for a more positive downward move, weakened slightly. The bond market has also been soft all this week because of rising rates.

Thorn-GE scanner deal delay

BY DAVID LASCELLES IN NEW YORK

THORN EMI and General Electric of the U.S. have offered to delay and restructure their proposed $37.5m medical scanner deal to satisfy the U.S. Justice Department's anti-trust concerns.

The deal, which was to have gone through yesterday, originally provided for GE to buy all of Thorn EMI's scanner operations in both the U.S. and abroad following the British company's decision to get out of the business because of losses.

Under the new structure put to the Justice Department, GE will exclude Thorn EMI's U.S. scanner operations, and only buy its non-U.S. segments.

The U.S. end of Thorn EMI's scanner business consists mainly of servicing operations and some inventory. No manufacturing facilities are involved.

It was not immediately clear how much this would affect the value of the deal. But since Thorn EMI's scanner operations and its manufacturing facilities are concentrated outside the U.S., the bulk of the deal would seem to be unaffected.

The Justice Department objected to the deal because GE is already in the scanner business and threatened to go to court if it went ahead. That department now says that it will study the new proposal and make a decision some time next week.

Normally, purchases made by U.S. companies abroad are exempt from anti-trust considerations.

Villiers leaves BSC with grim warning for future

BY ALAN PIKE

SIR CHARLES VILLIERS yesterday retired from the chairmanship of the British Steel Corporation with a warning that he viewed future prospects for the industry with "deep apprehension."

In an extract from his chairman's draft review for the last financial year, to be published later this summer, Sir Charles said that "we can kiss goodbye to most of the bulk steelmaking in Britain" unless three criteria were met.

BSC's customers must be able to improve their existing levels of business; improved working practices in the industry must be continued and extended; and the present cost price squeeze on steel must be relaxed by reduced inflation.

Next week Mr. Ian MacGregor will succeed Sir Charles with a strong mandate from Sir Keith Joseph, Industry Secretary, to bring the corporation rapidly under financial control.

Sir Keith accepted on Thursday that BSC will fail to meet its £450m cash limit in the current financial year, but the Government's objective of eventual profitability remains unchanged.

Sir Charles said in his review that BSC was beginning another cycle of change and adjustment, and this could not be done without Government financial support.

"We have tried all ways of relieving the borrowing requirement but so far without success," he said.

Continued from Page 1

Commodity

at least 90 different countries to provide two-thirds of the funding required.

Initial contributions will total $370m in cash from all governments involved, supplemented by $100m in standby capital. The remaining $280m will be collected through voluntary contributions from governments for the fund's second account.

Governments will be asked to pay only 30 per cent of the total contribution as a first instalment. The rest will be collected over the next four years.

As a result, the fund will start with only $111m in cash, but it plans to borrow larger sums from international markets

The fund, originally planned with a $6bn budget, is a key element in the UNCTAD integrated commodities programme

Weather

UK TODAY

CLOUDY with rain in most of England and Wales, becoming dry later. Max. 19C (66F).

N.E. Scotland, Orkney, Shetland

Cloudy, occasional rain. Max. 13C (55F).

Outlook: Sunny intervals and showers, rather cool.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	F	21	70	Locarno	F	22	72
Algiers	F	24	75	London	F	16	61
Amsdm.	F	14	57	Luxmbg.	C	15	59
Athens	S	31	88	Luxor	S	41	106
Bahrain	S	39	102	Madrid	S	22	72
Barclna.	S	20	68	Majorca	F	23	73
Belfast	C	15	59	Malaga	R	18	64
Belgrd.	C	16	61	Malta	S	28	82
Berlin	F	15	59	M'chstr.	C	14	57
Biarritz	C	18	64	Melbne.	R	11	52
Bmghm.	C	14	57	Milan	F	24	75
Blackpl.	C	14	57	Mntreal.	C	20	68
Bordx	F	18	64	Moscow	S	16	61
Boulgn.	C	14	57	Munich	R	12	54
Bristol	C	15	59	Nairobi	C	20	68
Brussels	S	15	59	Naples	F	22	72
Budpst	C	16	61	Nwcstl	C	14	57
B. Aires	S	10	50	N York	S	31	88
Cairo	S	38	100	Nice	F	21	70
Cardiff	C	15	59	Nicosia	S	28	82
Cas'b'ca	S	22	72	Oporto	S	21	70
Cape T.	R	13	55	Oslo	R	16	61
Chicago	S	19	66	Paris	C	17	63
Cologne	C	14	57	Perth	S	12	54
Cpnhgn.	F	14	57	Prague	C	16	61
Corfu	S	27	81	Reykjvk.	S	12	54
Dublin	C	14	57	Rhodes	S	30	86
Dbrvnk.	F	24	75	Rio J'o	C	17	63
Ednbgh.	C	15	59	Rome	F	23	73
Faro	F	22	72	Salzbrg.	R	11	52
Florence	R	20	68	Singapr	C	31	88
Frankft	C	15	59	Stckhm.	F	18	64
Funchal	C	20	68	Strasbg.	F	15	59
Geneva	R	12	54	Sydney	C	15	59
Gibrltr.	C	22	72	Tangier	F	22	72
Glasgow	C	15	59	Tehran	S	24	75
G'rnsy	C	14	57	Tenerifa	C	17	63
Helsinki	C	16	61	Tokyo	C	27	81
H. Kong	R	26	79	Toronto	S	19	66
Innsbrk.	C	14	57	Tunis	S	28	82
Invrnss.	C	13	55	Valencia	F	25	77
I.o.Man	F	14	57	Venice	R	18	64
Istanbul	S	26	79	Vienna	C	18	64
Jersey	C	15	59	Warsaw	F	19	66
L. Plms	S	24	75	Zurich	F	13	55

C—Cloudy, F—Fair, R—Rain, S—Sunny.

THE LEX COLUMN

Giving immunity to Ferranti

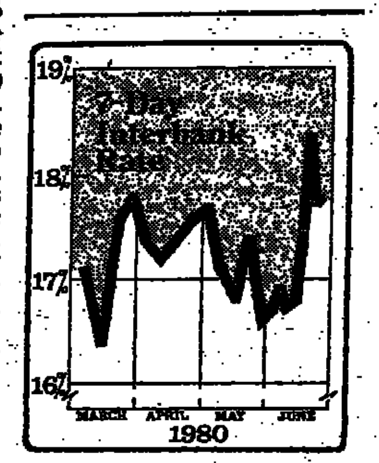
Over the last week the Ferranti share price has fluctuated wildly between £5 and £6, in apt reflection of the tangle the Government has got into over the disposal of its 50 per cent stake in the company. Government policy requires the National Enterprise Board to divest itself of saleable assets, partly for ideological reasons and partly to reduce the public sector borrowing requirement. But the Government is now beginning to appear highly sensitive to pressure from Ferranti's workforce and management, which are determined to remain independent.

The imminent result is likely to be a placing of the shares round City institutions. And rather than a restrictive covenant, there could well be a "gentleman's agreement" that the institutions treat their purchases as long-term investments and do not sell them on for a period of two or three years. Such a step will not come cheap. Whereas the NEB's ICL shares were placed at a discount of 4 per cent at the end of last year, the level is likely to be nearer 15 per cent for the Ferranti disposal. The disparity, on yesterday's closing share price of 585p, could represent a loss to the Exchequer of nearly £7m.

Since December the share price has moved up from well below 400p, and while there is probably some speculative element in the rise, the price is not markedly out of line with comparable stocks. Pre-tax profits of £16m should be possible in the current year, against £11.2m last year, with further growth in the subsequent 12-month period.

But there is a danger that institutional investors will accept restrictive terms, at short notice and under pressure, of a kind which they might later regret. In recent years institutional investors have consistently pushed for the removal of restrictions on shares—for instance on voting rights. If the Ferranti management and workforce succeed in getting immunity from takeover, they will establish a precedent which many other companies will wish to follow.

Index fell 3.2 to 463.5



Rolls-Royce Motors

Rolls-Royce Motors has put up a for-sale sign, and may well find a buyer. That is a popular view on the stock market, where the shares stand at 72p compared with an agreed offer earlier this week from Vickers worth 65p per share—and a net asset backing of over 100p. Maybe there really is a predator or two stalking in the wings. But two points are worth emphasising. If Rolls were acquired by a foreign bidder, it would automatically lose its right to the Rolls-Royce name. And Rolls needs Vickers at least as much as the other way around.

The reason is that the group is approaching a crucial moment in its history with too narrow a financial base. Sometime this autumn, it will be launching a new four-door model in which it has already invested a substantial part of its £50m or so of spending in the last three years. For Rolls, this is the most important new car since 1965.

If all goes to plan, the launch will lead immediately to higher sales volumes and margins. Capital spending in 1981 is expected to fall from about £14m to £7m or less, and Rolls sayes that its capital requirements in the next decade will not be so burdensome as in the last—when it had to catch up with years of underspending. By the end of 1981, it should be generating a surplus cash flow, and a year or two later the currently troubled diesel side should be looking a lot healthier, thanks to increased defence work.

Rolls has planned the launch with meticulous care, and is confident of securing the necessary approvals from the U.S. authorities. Yet it is clear that the next 12 months is going to be a period of high risk for the group, and Rolls' ability to face it alone has been threatened by its poor profitability in the last 18 months.

Debt represented around 70 per cent of shareholders' funds at the end of 1979 and continues to rise, and another rights issue would not have been much help since the market capitalisation recently has been as low as £30m. Given the current uncertain business climate, Rolls badly needed a broader base both in financial and product terms. And along came Vickers—with a visible shortage of top management, a pot of cash due for its nationalised assets, and a new role to find in life after the loss of its shipbuilding and aerospace businesses.

So the question investors should perhaps be asking is no[t] whether Rolls is giving itsel[f] away too cheaply, but whethe[r] Vickers is taking too big [a] plunge. Its current return o[n] capital is inadequate, and it[s] management has a lot to prov[e] after a number of disappoint[-] ments in recent years. Is i[t] right for Vickers to be taking a step of this importance eve[n] before its compensation terms are agreed with the Govern[-] ment?

Interest rates

At least the Treasury bi[ll] rate eased again yesterday, [a] symptom of the shortage o[f] reserve assets in the bankin[g] system. But most other mone[y] market rates have been edgin[g] higher in the past few days, an[d] even gilt-edged have lost thei[r] sparkle. F.T. Governmen[t] Securities Index is down b[y] some 1.7 per cent on the wee[k]. In the circumstances, th[e] announcement by the Bank o[f] England yesterday of up t[o] £700m of short term aid for th[e] banking system—through a sal[e] and repurchase arrangement fo[r] gilt-edged—had a mixed rece[p-] tion.

Officially, this is just a tec[h-] nical smoothing operation t[o] offset the shortages of liquidi[ty] caused by big sales of longe[r] dated gilts. There is no dire[ct] implication for Minimum Len[d-] ing Rate. But inevitably the[re] are those in the City who fe[ar] that MLR will not come dow[n] until after the Bank's assistan[ce] is unwound in the middle [of] August.

The bulls, however, are st[ill] hoping that a percentage poi[nt] could be trimmed off MLR la[te] next month. The bullish inte[r-] pretation of the sale and r[e-] purchase offer is that at lea[st] it implies the central Gover[n-] ment borrowing requirement [is] no longer so large as to swan[p] gilt-edged purchases by the no[n-] banks, as it was in bankir[g] May. But the trend of publ[ic] spending, to judge by the hu[ge] extra deficit projected [on] Thursday by the British Ste[el] Corporation, is deeply worr[y-] ing. This week's buyers of th[e] new long tap Treasury 13 p[er] cent 2000 — quickly dubb[ed] in the City "Grecian" 2000 — are in danger of acquiring [a] few grey hairs.

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